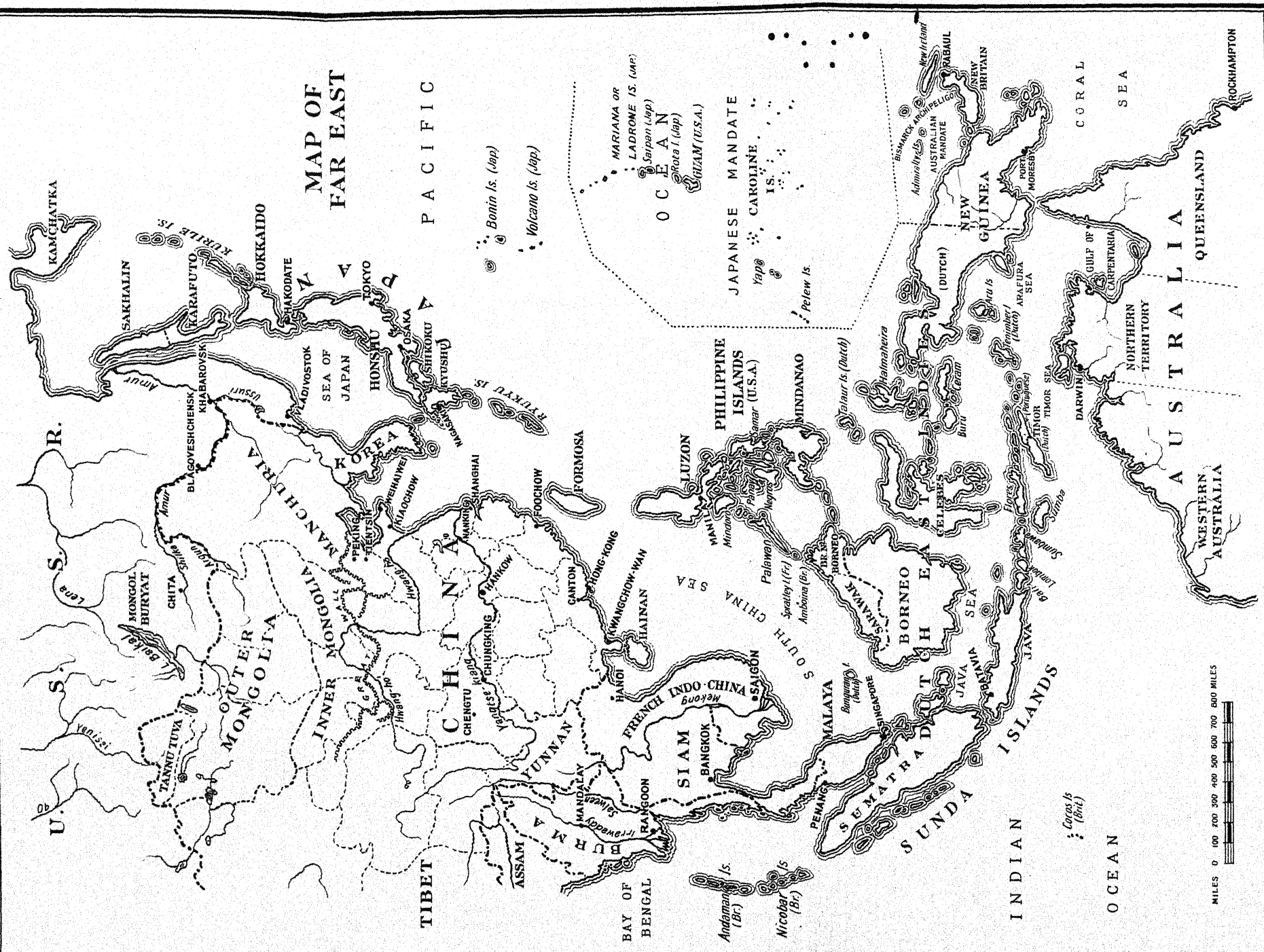


# MAP OF FAR EAST

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SOUTH



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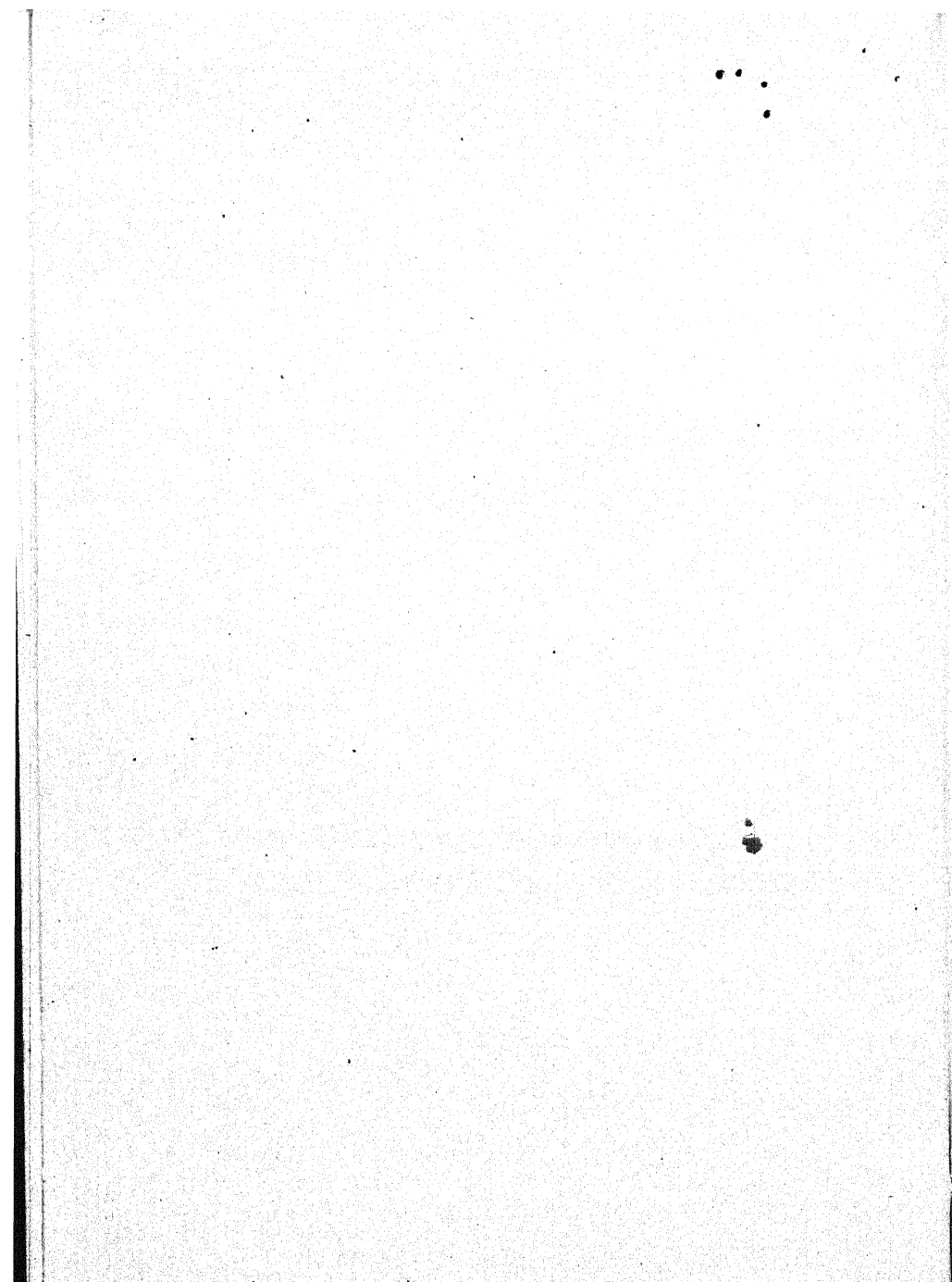


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WAR AND POLITICS IN CHINA



# WAR AND POLITICS IN CHINA

by

SIR JOHN T. PRATT, K.B.E.

*Formerly Consul-General in China, and for thirteen years  
Adviser on Far Eastern Affairs in the Foreign Office*



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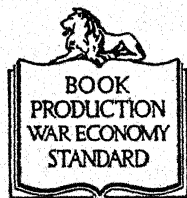
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FAR EAST  
REPUBLIC OF CHINA AND EAST INDIES

*facing half-title*  
*facing p. 289*

## P R E F A C E

My reason for writing this book is that many of the existing books on China, even if they state the facts correctly, often put a wholly false interpretation on them. I felt, therefore, that there was room for an attempt at a new interpretation of the principal events in China's relations with the modern world, and as Great Britain has played the leading part in the Far East for the past two hundred years, this book is concerned very largely with British policy in China during that period. For more than forty-four years I have been connected, in one capacity or another, with the affairs of China, and I have a deep and abiding love for the country and the people. I have, therefore, some of the qualifications for writing such a book as I have in mind, but of my deficiency in the many other, and more important, qualifications no one is more conscious than myself. The book has, moreover, been written under serious difficulties. It was not easy under war conditions to obtain from libraries all over the United Kingdom the books which I wished to consult, and all my own books and papers, including several years' accumulation of notes and other materials, were destroyed by enemy action. In the circumstances I feel that I may borrow Dr. Johnson's excuse for the dog that had been trained to walk upright on his hind legs: it was not a question whether it was well done or ill done, the surprising thing was that it was done at all.

For the last thirteen years of my service under the Foreign Office, from 1925 to 1938, I was Adviser on Far Eastern Affairs, being indeed the first holder of that post. It is incumbent on me, therefore, to say that I have felt under no constraint as regards expressing freely the opinions I then formed, and that for these opinions no one bears any responsibility but myself.

J. T. PRATT

Cambridge  
October 1942

## CHAPTER I

### EIGHTEEN NINETY-EIGHT

IN the autumn of 1897 the Civil Service Commissioners held an examination to fill seven vacancies in the Consular Service in China. Two years previously the newspapers had been full of the war in the East and China's surprising defeat by Japan. That was about the extent of my knowledge of the Far East. About China I entertained only the usual vague ideas and until I read the announcement of the forthcoming examination I had certainly never given that country a thought as the possible scene of a future career. However, I sat for the examination. In due course, I was notified that I was one of the successful candidates. I was also informed, after various formalities had been observed, that my appointment as Student Interpreter in China would date from March 1st, 1898. I have always derived a certain irrational satisfaction from the fact that on the same date the House of Commons, after an animated debate, passed a resolution 'that it is of vital importance for British commerce and influence that the independence of Chinese territory be maintained'. Lord Curzon, who had paid a flying visit to the Far East just after the Sino-Japanese war, observed that Student Interpreters were probably so named because they never studied and were unable to interpret, a witty saying which, I am glad to report, was only partially true.

On March 11th, the seven new Student Interpreters embarked at the London Docks on the s.s. *Rome*, a vessel of 3000 tons, at that time one of the crack ships in the P. & O. fleet and, therefore, allocated to the Australian run. Because her name began with an 'r' she was almost inevitably christened 'The Rolling Rome', but this, like Lord Curzon's jest, was only partially true for she was really a fairly steady, and by the standards of those days a very comfortable ship. At Colombo we changed into a smaller vessel of the type in which the first-class cabins opened directly out of the saloon. We were delayed a few days by the wreck of another P. & O. boat in the Red Sea, but eventually reached Shanghai about the end of April, and Peking about ten days later. I mention these



details because I remember how avidly I listened to Sir Robert Hart's account of his journey to China nearly fifty years before, when he, too, had sailed from London to take up an appointment in the Consular Service which, by one of the great romances of the Far East, had led to his becoming the creator, and for fifty years the Inspector-General, of the Chinese Maritime Customs Administration.

Then, as now, it was in Penang and Singapore that the traveller to the Far East first came into contact with the Chinese and it was impossible not to be struck by the fact that here were contented and prosperous Chinese colonies ruled, not by the Mother country, China, but by Great Britain, and that the wealthy leisured classes were Chinese rather than British. In Hongkong, which was geographically part of China itself, the population was far more Chinese than in Malaya but there was a much stronger impression of British rule and British predominance. The area of Hongkong was more restricted, it had no indigenous native life of its own but existed solely for its harbour, docks and warehouses which made it an entrepôt for the foreign trade of a large part of China. It was a barren island when it had passed into British possession less than sixty years before and the Chinese population of about a million had practically all been attracted by the great prosperity that had grown up under British rule. The British had done more here than in Malaya to change the face of the land and their personality was more strongly impressed upon it. All travellers who pass through Hongkong take the rope tramway to the top of the Peak. Just before I left England the old *Saturday Review* had published a series of articles by famous travellers describing what each considered to be the finest scenery in the world, and among them Sir Charles Dilke had stated his preference for the Peak at Hongkong the view from which he declared surpassed anything to be seen elsewhere. When I climbed the Peak one day at the end of April 1898, the view fully justified Sir Charles Dilke's high praise. To the beauty of the scene, as he had known it, was added an element of deep historic interest, for stretched out in two long lines of grey in the beautiful land-locked harbour of Hongkong lay the whole American Asiatic Squadron waiting for war with Spain to break out. The story is now well known how Theodore Roosevelt, afterwards President of the United States and then Assistant-Secretary of the Navy, finding himself left in charge of the Navy Depart-

ment for one afternoon, had promptly sent peremptory orders to Admiral Dewey to take the whole squadron with a full supply of coal to Hongkong in order to launch offensive operations against the Philippines immediately war broke out. We knew nothing of this at the time but there was something ominous about the long lines of warships and there was a feeling in the air of great events impending. We sailed next day for Shanghai and there a few days later we heard the news that war had broken out and that Dewey had sailed out of Hongkong harbour and had destroyed the Spanish fleet at Manila in the battle of the 1st of May.

Shanghai is politically as well as geographically a part of China, but like Hongkong it seemed to be more European and less Chinese than either Penang or Singapore. It was not until I had reached the outskirts of Peking that I felt that I had really arrived in China. Many little incidents, less portentous than the sight of the American warships, but equally significant, combined to create the impression that I had arrived at the moment when a new era was beginning in the Far East. For nearly forty years successive annual batches of Student Interpreters had made the journey from Tientsin to Peking and all had travelled either by boat up the Hun Ho — the Muddy River — in the same style as Lord Macartney in 1793 when he headed our first Embassy to the Court of Peking, or by mule cart and sedan chair. My batch was the first to make the journey by the railway which had just been completed that year to a point in the open fields some four miles distant from the walls of Peking. The Manchu Court had objected to the precincts of the capital being desecrated by any nearer approach of this Western innovation and it was not till more than two years later, when Peking was occupied by foreign troops after the Boxer Rebellion and the siege of the Legations, that the railway was brought within the city gates. I have never forgotten the noise and confusion so symbolic of the machine-made civilization of the West — the clanging of bells, whistling of engines, shouting and wrangling of porters — and the extraordinary contrast when I mounted a donkey and thirty seconds later found myself riding through a peaceful countryside dotted with little clusters of cottages, family temples, grave mounds with groves of trees, and peasants cheerfully working in the carefully cultivated fields — the whole presenting a scene that took the mind back

to the days of Abraham. The trees were clothed in the fresh green of early spring — unspoiled as yet by dust storms — and after about half an hour's riding I suddenly saw through the foliage the massive crenellated walls of the City. Ten minutes later I rode through the Ch'ien Men, the great gateway of Peking surmounted by a tremendous tower, with row upon row of portholes each bearing the painted semblance of a cannon's mouth to terrify any enemy who might venture to attack. There is something very tremendous and impressive about Peking with its huge walls and gateways, its outer city and inner city with the Forbidden City as the innermost of all. It has the same essential characteristics as are found in great Chinese works of art, the Chou bronzes or Sung vases or the paintings which only the Chinese genius is capable of producing. No city in the world possesses quite the same atmosphere of power, dignity and restraint. The great tower of the Ch'ien Men is in many ways symbolic of both the strength and weakness of Chinese civilization, a civilization that tends to attach more importance to form than to content and to mistake appearance for reality.

I had barely settled down to my new life in the quarters allotted to Student Interpreters in the British Legation compound when the arrival in Peking of Prince Henry of Prussia came as another reminder — like the sight of the American fleet at Hongkong — that world events were beginning to centre round a new focus in the Far East. The public did not fail to notice with some amusement that every port at which Prince Henry's warships had coaled on the voyage from Germany to the Far East was in British territory — a fact which doubtless had some influence on the Kaiser's Big Fleet policy. The Kaiser had decided that Germany must have her place in the sun and must, therefore, seize a place on the coast of China which could be fortified and turned into a naval port. Accordingly on November 14th, 1897, Dietrichs, the same German admiral who later threatened Dewey at Manila Bay, landed troops at Kiaochow on the Shantung coast. By January 1898 the Chinese Foreign Office had yielded to German menaces, and two months later the details had been worked out. On March 6th, 1898, an agreement was signed granting Germany a lease of Kiaochow for 99 years, together with certain railway concessions and prior rights in the development of the Province of Shantung. The Kaiser had behaved in his usual hysterical

manner. 'Hundreds of thousands of Chinese', he said, 'will quiver when they feel the iron fist of Germany heavy on their necks', and he sent his brother Prince Henry with two battleships to the Far East, his parting instructions being to 'Bind about your brow the laurels which no one in the German Empire will begrudge you'. To which Prince Henry had made the equally silly reply that his sole purpose was 'to declare abroad the gospel of Your Majesty's anointed person; to preach it to everyone who will hear it, and also to those will not hear it'. It is a depressing thought that the fate of millions and the future of mankind for generations yet unborn can be affected by such fustian from the lips of half-wits, but the matter was serious enough. Russia, who had established an admirable position as China's protector, at first tried to restrain Germany, but had then weakened and thrown away all her advantages by yielding to Germany and seeking compensation by the seizure of Port Arthur. Germany's act of brigandage had, as Russia feared, precipitated a scramble with the result that the Battle of the Concessions broke out just as I was making my first appearance on the Far Eastern scene. In November and December 1897 Germany had landed troops at Kiaochow and Russia had replied by sending warships to Port Arthur. In January 1898 it became known that China, abandoned by Russia, had decided to yield to German menaces. In March China signed leases granting Kiaochow to Germany and Port Arthur to Russia; France demanded Kwangchowwan and the British Cabinet reached the foolish decision to demand Weihaiwei. In April leases of Weihaiwei and Kwangchowwan were duly signed and in June the territory at Kowloon adjacent to Hongkong was leased to Great Britain.

German statesmen may perhaps be excused for their failure to foresee that in less than a decade after their decision to seize Kiaochow Japan would grow powerful enough to defeat Russia — the greatest land power in Europe — and that, in consequence of the withdrawal of the British battleships to home waters, Japan would then become the strongest naval power in the Far East. All that we can say, therefore, of the seizure of Kiaochow is that it was a crime that turned out afterwards to be a blunder. But two more foolish acts of so called high policy than the seizure of Port Arthur and Weihaiwei it would be difficult to find. Russia not only abandoned the role of China's friend in order quite gratuitously to enter the camp of

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the brigands but by their impatience provoked the hostility of both Great Britain and Japan — a blunder which was to wreck her whole position in the Far East. As for Weihaiwei it is unjust to say, as many writers do, that by seizing it Great Britain abandoned her principles and also joined in the scramble. Weihaiwei was quite worthless and in order to make sure that it would never be anything but worthless Great Britain when leasing it promised that she would never connect it by a railway with the interior or use it for the purpose of entering into commercial competition with Germany in Shantung. No advantage to Great Britain could possibly accrue from the seizure of Weihaiwei, which was merely a roadstead and village that afterwards grew into a seaside resort, but the cabinet had a vague idea that its possession would somehow act as a counterpoise to Russia's possession of the fortress and naval port of Port Arthur and that the timid Manchu Court would thus be better able to resist Russian pressure at Peking. Of course, Weihaiwei exercised no influence in this direction at all. As an act of policy its seizure was neither adroit nor unscrupulous: it was merely silly. The seizure of Kowloon, however, is another story which is reserved for discussion in a later chapter.

In the short space of three months Kiaochow, Port Arthur, Weihaiwei, Kwangchowwan and Kowloon had all been seized one after another, and eleven days after the signing of the lease of Kowloon the Chinese gave the first sign of waking up to the fact that the cause of the humiliations and disasters falling thick and fast upon them was the rotten state into which they had allowed their country to fall. The first of the Emperor Kwang-Hsü's Reform Decrees was issued on June 20th, 1898.

In accordance with time-honoured custom we spent the summer at one of the pleasant temples that dot the Western Hills fifteen miles from Peking, and during the next three months the episode of the Reform Decrees gave us an insight into the particular weakness in the Chinese system of political thought that has been responsible for most of their difficulties during the last one hundred and fifty years. If an evil state of things exists the Chinese are apt to believe that a remedy can spontaneously be effected by bringing all men to recognize that that state of things is in fact evil and to agree on the form of the new state of things which they desire should exist in its place. The Chinese method of ideological control, which will be discussed in a later chapter, has achieved astonishing

results in the past, but they have had to pay a price for these past successes. One of the weaknesses inherent in the Chinese character is a tendency to believe that when a desirable reform has been set down on paper nothing more remains to be done. It is in essence the same defect that we noticed in connection with the Ch'ien Men tower and its painted cannon, the defect that mistakes appearance for reality. The episode of the Reform Decrees, though typical of this defect, is admittedly an extreme case, for the unhappy young Emperor was a weakling with an immature mind acting under the influence of a brilliant but fanatical scholar who was lacking in experience or knowledge of affairs. It is, however, an astonishing fact that between June 20th and September 16th — the hundred days of reform — no less than one hundred and thirty Reform Decrees were issued evidently in the naive expectation that merely by the issue of the decrees China would be transformed forthwith into a modern state.

Another visitor to Peking during 1898 was a much greater man than Prince Henry of Prussia. This was the famous Marquis Ito in whose honour a reception was held at the Japanese Legation. The Japanese were still in the early stages of their strenuous efforts to discard their own national costume and social customs, which they had taken over from T'ang dynasty China about the year A.D. 700, and adopt the dress, manners and etiquette of European nations. One of the reasons that has made it fatally easy to underrate the Japanese is that acquiring the art of social intercourse with Europeans is one of the things in which they have been least successful. There are brilliant exceptions but even to this day most Japanese are self-conscious and ill at ease in European society. They are poor linguists and in international gatherings, such as for example the meetings of the League of Nations at Geneva, their nervousness and the difficulty that they have in expressing themselves in public, even in their own language, give a totally erroneous idea of the qualities underneath. In the receptions at the Japanese Legation in 1898 these defects were so glaring that it was almost impossible for the two sides to mix at all, but the brilliant exception was Marquis Ito himself. He spoke excellent English, suffered from no inhibitions at all, and was easily master of the situation. Marquis Ito had had a remarkable and romantic career and had played a great part in raising Japan to the rank of a first-class Power. If he had had his way Japan would have declined the British alliance in

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1902 and would have come to terms with Russia, thereby establishing a balance of power in the Far East, but as so often happens in Japan the statesman who preached moderation was brushed aside and eventually murdered. It is only fair, however, to note that it was even more the folly of the Tzar and his advisers that prevented an understanding with Japan than the intransigence of the forward party in Japan.

If the Japanese did not shine in Peking society it certainly did not mean that they were not making good use of their time. An incident that occurred during our stay at the Western Hills that summer gave us, in retrospect, a glimpse of the methods which have served the Japanese so well and have made them such formidable enemies in war. We had occasion to send in to Peking for a Japanese barber and we bargained that he should do the double journey, fifteen miles each way, and practise his art on the half-dozen members of our party for an inclusive fee of three dollars — about six shillings. He duly rode out in the cool of the morning on a sturdy little north China donkey and rode back in the cool of the evening, but on the way out he had the misfortune to fall off his donkey and tear a rent in the knee of his shabby old European flannel trousers. For this he demanded an extra 20 cents — about fivepence — and we, for the fun of the thing, disputed the justice of the claim. Only after a prolonged and heated argument did we give way and agree to pay him the 20 cents, whereupon he calmed down and we parted good friends. He was an insignificant little figure and it really appeared as if this 20 cents was an important item in his budget. Whether he was forced actually to live on the amount he could earn as a barber in Peking we had no means of ascertaining, but two years later when the Boxer Rebellion broke out he abandoned his barber's disguise, put on his colonel's uniform, joined up at the Japanese Legation and took part in the defence of the foreign quarter. When the Legations were relieved and Peking was occupied by foreign troops the City was divided into sectors for this purpose, and it was certainly no mere accident that in the sector occupied by the Japanese was situated the Chinese Treasury containing several millions of taels of silver.

We returned from the Western Hills to the routine of life in the Legations in Peking in time to witness the violent reaction that was provoked by the Emperor's effort at reform. The flow of Reform Decrees was



abruptly checked by the arrest of the Emperor on the very day that he was to have granted an audience to Marquis Ito, and we learned that he was being held a prisoner on an island in the lake in the grounds of the Summer Palace, situated in the Western Hills, not far from the temple we had been occupying all that summer — the same Summer Palace that was sacked and looted by the foreign troops who occupied Peking in 1900. The Empress Dowager, one of the few Chinese whose personality is deeply impressed upon the Western world, having discovered that the reformers were plotting to put her out of the way, had with characteristic vigour acted first. She took the government into her own hands and kept it until 1910 when she and Kwang-Hsü both mysteriously died within a few hours of each other. The reformers were hunted down and some of those who were put to death by the atrocious method of the Thousand Cuts — reserved for parricides and traitors — were men of great ability and integrity whom China could ill afford to lose at this crisis of her fate. Kang Yu Wei, the Emperor's Chief Adviser — the fanatical scholar referred to above — slipped away just in time, boarded a P. & O. vessel outside Shanghai and made good his escape to Hongkong. It was thought that the Chinese might attempt to effect his arrest on the high seas, and, in order to avoid the serious international incident that this would cause, a naval escort was provided for this vessel on her voyage to Hongkong.

There was much excitement and unrest in Peking, rumours flew thick and fast, there were one or two cases of assaults on foreigners and there was some danger that the undisciplined troops which had been brought to Peking from the remote province of Kansu might get out of hand. There was no railway in those days to the south; during the winter the northern ports were frozen up and communications between the Legations and the outer world were difficult and uncertain. It was decided, therefore, to bring Legation guards to Peking and one day in the middle of October a party of the younger members of the foreign community rode out to the railway station to meet the contingent of foreign troops, made up of detachments provided by half a dozen different nationalities, who, after furious altercations with the Chinese authorities, had boarded a special train which conveyed them from Tientsin to Peking. We rode back through the Ch'ien Men and into the streets of Peking at the head

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of the column. A little group of foreigners, but no Chinese, were standing on the city wall above the arch of the great gateway and looked down on us as we rode into the City. Inside the gate all the shops were closed and shuttered and the streets, the whole way from the gate to the quarter where the Legations were situated, were packed on each side with Chinese clad in their long blue cotton gowns. We rode through the serried ranks in dead silence. The Chinese have a curious way of wiping all expression completely from their faces and it is difficult to tell what sensations are passing through their minds. I feel confident, however, that these crowds felt no fear and were not anticipating immediate trouble; otherwise they would not have been on the streets at all. It was a strange and impressive sight, but not so eerie as a similar experience which I had many years later when I was Consul-General in Shantung. A revolution was in progress and a matter arose which seemed to be of sufficient importance to make it necessary for me to seek an interview with the Military-Governor in his yamen in the middle of the City. The city gates were specially opened for me and again I passed through streets where every shop was closed and shuttered, but the streets were absolutely empty and I was conscious of anxious eyes peering at me through chinks in the shutters or from behind doors opened a bare inch or two. It was a creepy sensation.

The arrival of the Legation guards was the last of the events that marked the year 1898 as the beginning of a new era in the Far East. Two years later Peking was occupied by foreign armies and the Legation guards became the permanent foreign garrison which was kept in the Legation quarter in Peking, under the terms of the settlement imposed upon China, with the ostensible object of keeping open the communications between the Legations and the sea. There was never any real danger that this particular folly of attempting to keep Western influence at bay by massacring the diplomatic representatives of foreign Powers would be repeated, and the troops might well have been withdrawn within a year or two at most. But it is easier to initiate an arrangement of this kind than to bring it to an end. No Power could be the first to withdraw its troops and the garrison remained for decade after decade. After the capital of China had been moved to the Yangtse and the foreign envoys resided no longer in Peking, but in Nanking or Shanghai, the international garrison was still in Peking; and when Japan, after having seized Manchuria,

decided to extend her aggression to North China it was a simple matter for her, without any breach of treaty, to expand her contingent into an army ready to take the field against the Chinese forces the moment that the signal for the attack was given.

The life of the foreign community in Peking was not noticeably disturbed by the grave events which followed each other in such rapid succession during 1898. Even the assaults on foreigners and the arrival of Legation guards to prevent worse befalling were not taken very tragically, for no one seemed to think that he personally might be affected by political movements among the Chinese people. In part this was due to the fact that the foreign community, like all the foreign communities that have lived on Chinese soil since the East India Company first opened its factory at Canton in 1715, led a very artificial existence segregated from the Chinese in whose midst they lived. The social and cultural gulf between Chinese and Westerners was so immense that very few even of those Europeans, who went into the interior as missionaries, succeeded in crossing it. Since the time, about forty years ago, when the Chinese addressed themselves in earnest to the task of studying Western ways, an increasing number of Chinese have crossed over to our side of the gulf, social intercourse on the Western plane has become possible and an increasing number of Englishmen have become aware, through personal contacts, of the richness and beauty of the Chinese culture and the width and profundity of the Chinese intellect; but even to-day the number of Englishmen who make any attempt to cross over to the Chinese side of the gulf remains infinitesimal. The foreign communities in China were mainly British in composition and character, and as a whole they have been remarkable for their indifference to the culture as well as to the social, economic and political problems of the Chinese people. The explanation is not to be found in any facile criticism of the treaty port mind for, though these communities may not be a fair cross section of the social structure in Great Britain, their attitude is in fact a reflection of the indifference to things Chinese that exists in this country. France, whose vested and commercial interests in the Far East are insignificant compared with ours, has established a long and honourable tradition of Chinese scholarship, but though Great Britain has led the way in China in commerce, finance, industry and diplomacy for two and a quarter

centuries the position of Chinese studies in our universities is eloquent testimony of the indifference to which I have referred. The price we have had to pay for this neglect may be heavier than is generally realized. If, for example, the finest intellects in this country had been influenced in their political thinking a little more by Confucius and Mencius and a little less by Plato and Aristotle the great experiment of the League of Nations might not have proved so disastrous a failure.

In 1898 the British authorities were evidently not of the opinion that there was any advantage to be gained by having as our consuls in China a body of men who would be likely to make a serious study of the art, literature and philosophy of China. Accidents fortunately happen even in so well regulated a family as that presided over by the Civil Service Commissioners, but the examination for the Consular Service was pitched at so low a level as to discourage the entry of persons with a scholarly bent of mind, and this curious attitude was maintained in the inadequate and inconsequent character of the arrangements made for the study of Chinese by those who had successfully passed the examination. A Student Interpreter was expected to spend the first two years of his career studying Chinese in the British Legation at Peking, but most of this priceless time was in practice wasted. Chinese is notoriously the most difficult language in the world, but there was no university whose courses the student could attend and no professors to guide him in his studies. He was provided with a set of absurdly elementary textbooks and a 'Teacher', that is to say, a Chinese gentleman whose only qualification for teaching Chinese was that he knew no English. It took on an average six months for a student to discover how to begin to learn the language. At the end of twelve months or even two years few Student Interpreters could converse freely in the colloquial, thus justifying one half, at any rate, of Lord Curzon's epigram, and for even these few the range of topics on which they could express ideas was so limited that intercourse with Chinese of culture was practically impossible. At a later date some improvements were made in this system, but by that time the mischief had already been done.

Mutual ignorance of each other's culture has had important repercussions in the political relations between China and Great Britain. The point may perhaps best be illustrated by two simple examples. In China it is

regarded as a pious duty to collect any scraps of paper that may be lying in the streets and burn them in the little mud or brick furnaces set up by the roadside for that purpose. Chinese respect for learning is such that it is deemed a desecration if any piece of paper with characters written on it is left lying about to be defiled and trampled under foot. Ignorance of this charming custom was responsible for an extraordinary scene that took place in the early days at Shanghai. Some seven or eight years before our first treaty with China, when all foreign trade was still strictly confined to the single port of Canton, Shanghai was visited by a supercargo and a missionary who had been sent by the East India Company to explore the possibility of trading at other ports. Their ship anchored at the mouth of the river and they landed from a rowing boat at a point fifteen miles higher up on the mud bank which has since become the Bund of the International Settlement. They were besieged by an eager good natured crowd among whom the missionary distributed the tracts which he had brought for that purpose. Bundles of the tracts were thrown over the heads of the crowd to those behind and when all had thus been disposed of the two foreigners wandered through the streets of Shanghai and called at the yamen of the local magistrate. They were politely received but came away dissatisfied because the magistrate was bound by orders from above and could not give permission for them to trade. On returning to their boat they found a bonfire blazing and three or four Chinese busily employed collecting the tracts that had been trampled in the mud and committing them to the flames. The East India Company had been established at Canton for one hundred and twenty years, both foreigners had resided there for many years and the missionary had been long employed in preaching Christianity to the Chinese. They had never heard of this Chinese custom and they interpreted the burning of the tracts as a deadly insult. At this moment messengers arrived from the yamen bearing baskets of chickens, sweetmeats and other delicacies as a parting gift from the magistrate. This was regarded as adding insult to injury and the two foreigners gave vent to their indignation by casting the presents upon the bonfire, after which they departed in their boat well satisfied that they had vindicated the honour and prestige of their country and had shown that they were not simpletons to be imposed upon by the barbarous Chinese. What the Chinese thought about the incident history doth not

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1911

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relate. Sixty years later, in 1896, Valentine Chirol, then foreign editor of *The Times*, visited Peking and fell into a similar state of indignation over the outrageous behaviour of the literati who were employed as writers or teachers of Chinese in the British Legation. If they met their pupils or employers in the streets they affected not to know them — conduct which Chirol denounced as both contemptuous and insulting. The fact, of course, is that the Chinese being the heirs of an ancient and highly sophisticated civilization have developed an elaborate code of etiquette: if two acquaintances pass in the street politeness demands that the junior should descend from his sedan chair or his mule cart and salute the senior, and that the senior should descend and return the salute. In order to avoid the inconvenience of this ceremonial it is a common and well understood practice for one or both of the parties, in such circumstances, to screen his face with a fan or even to turn his head the other way. No one in the British Legation had enlightened Valentine Chirol on this very elementary matter. 'Even the unsuccessful literati', he wrote in his book *The Far Eastern Question in 1896*, 'who are driven to accept employment as writers in the European Legations will not compromise themselves by showing any open recognition of their employers when they meet them in a public thoroughfare. The whole atmosphere of Peking is saturated with hatred and contempt of the foreigner, etc. etc.'

There have been several critical periods in the history of China's relations with the modern world and the grand climacteric came in 1898. When European ships first found their way round the Cape of Good Hope in the sixteenth century and sailed direct to the Spice Islands of the East, the fundamental character of the change thus effected in the relations between East and West was not at first apparent. The situation developed very slowly and it was not till late in the eighteenth century that a movement formidable enough to be described as the impact of the West upon the East began to take place, but from then on the tempo became more rapid. The storm burst in the middle of the nineteenth century when China was defeated in two wars and forced to enter into treaty relations with foreign Powers upon the terms and in the manner dictated by the West. The climax of this clash was reached at the end of the nineteenth century, and the year 1898 marked in many ways the end of one period and the gathering of the forces whose actions and reactions were to compose the

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pattern of Far Eastern politics for the next half-century. The China of Ch'iang Kai Shek is fundamentally the same as the China of the Empress Dowager Tzu Hi, for in so vigorous and so deep rooted a civilization as that of China, the minds of men and their essential beliefs change very slowly, but there has been a complete transformation in her relations with the outer world and this has been accompanied by many social, economic and political developments. I arrived in China at the moment of the grand climacteric and just in time to see the old dispensation before it passed for ever from the scene and that is my excuse for attempting an interpretation of events and policies during some of the critical phases in China's relations with foreign Powers.



## CHAPTER II

### HOW THE ENGLISH CAME TO CHINA

IN the period about 2000 years ago just before and just after the birth of Christ, about 200 B.C. to about A.D. 200, a curious parallelism may be traced in political and cultural developments at either end of the Euro-Asiatic continent — China in the Far East and the Mediterranean basin in the West. During this period of four hundred years the Roman Empire flourished and established over what was believed to be the whole civilized world law and order, peace, disarmament and universal free trade. The same period of four hundred years covers the reign of the two Han dynasties in China. Chinese civilization had been developing and spreading in the region of the Yellow River and the Great North China Plain for more than a thousand years before this time, and the great Chinese philosophers Laotzu, Confucius, Mencius and Moti, who impressed upon that civilization its distinctive characteristics, flourished in the sixth and fifth centuries, about the same time as the Greek philosophers who were the precursors of Rome. Eventually in the reign of the First Emperor — Ch'in Shih Huang Ti — the warring feudal states were welded into an empire, and like Rome the Chinese Empire believed that it ruled over the whole of the civilized world. The Han and Later Han dynasties ruled over China from 206 B.C. to A.D. 220. It is one of the more glorious epochs of Chinese history and it has left as deep an impression on the national consciousness and is still as vivid a memory in China as the reign of Queen Elizabeth in England. In 1900, when I was stationed at a treaty port in South China, I had occasion to ask a Chinese merchant whether he could assist in raising a Chinese labour corps for service with the foreign armies marching to the relief of the Legation in Peking, and he replied quite simply that he could not incur the reproach of being a traitor to the Han. After A.D. 200 the parallelism between Rome and China came to an end. Rome declined and gradually faded away, leaving only the memory of her civilization behind, but the most glorious epoch in China's history — the T'ang dynasty, A.D. 620 to 907 — was still to come.

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China went through periods of confusion and decay, but the vital spark was never quenched and the Chinese spirit always revived. Like Rome she was invaded by Barbarians, but unlike Rome she did not succumb, but drew fresh vigour from the contact with the nomads of the north. Her civilization flourished continuously for more than 3000 years, and down to the end of the eighteenth century China could still claim that her empire was the greatest that the world had ever seen. In Rome, on the other hand, an economic crisis in the year A.D. 221 — the year after the fall of the Han dynasty — marked the beginning of the long period of confusion and decay. Exposed to Barbarian invasions from without and degeneration from within the whole social, economic and political structure gradually crumbled away and two and a half centuries later only the ghost of the Roman Empire remained to haunt men's minds in the Western world for all succeeding generations.

The Han and the Roman Empires each lasted for four hundred years, beyond the confines of each were nomads or states at a more primitive stage of civilization, conveniently lumped together under the style of barbarians; each believed that it ruled over the whole civilized world and neither knew of the existence of the other. As one writer has expressed it they may have just touched with the tips of their antennae, but no more. Nevertheless, the downfall of the Roman Empire may in some degree be attributed to China. We have witnessed in our own generation the disastrous consequences of the drain of gold to America, and we are familiar with the danger that the collapse of civilization may be caused by the destruction of the economy that supports it. Similarly, the drain of gold to pay for the silk and spices, which were imported from the East through middlemen who exported no Roman products in return, gradually destroyed the economic structure of the Roman world. In this catastrophe it is probable that the pepper and cloves of the East Indies played a greater part than the silk of China, but it is an extraordinary fact that sixteen centuries later China's trade with Europe was still a one-way traffic.

In the eighteenth century British merchants were eagerly buying the silk and tea of China, but had to pay for their purchases in silver because there was no European product that China wished to purchase in return. It was the spices, however, rather than the China trade that lured the European nations one after the other to take the sea road to the East. The

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Portuguese were the first to reach China early in the sixteenth century, and forty years later the Chinese authorities, without the compulsion of any unequal treaty, allowed the Portuguese to lease a settlement under their own control at Macao, a peninsula near Canton joined to the mainland by a narrow neck of land across which a wall was built. It is said that the Portuguese earned the friendship of the Chinese by helping them to deal with the pirates who in all ages have been a serious scourge on the China coast. The Pope had divided the world between Spain and Portugal, awarding the Eastern hemisphere to the latter and the Western to the former. One result of the division which had far-reaching consequences later on was that Spain and not Portugal took possession of the Philippine Islands. If they had fallen to Portugal they would have fallen later on to the Dutch or the British — or to both — and America would never have acquired the heel of Achilles which has given her so much anxiety in the twentieth century. The Portuguese contented themselves with a footing on the China coast, and as China had never heard of the Pope's decision, which she would certainly have regarded as a grave intrusion on her sovereign rights, they were allowed to dig themselves in comfortably at Macao. They obtained a practical monopoly of the China trade and proved a thorn in the side of all rivals of other nations whom they sought by every artifice, fair and unfair, and sometimes by open violence, to exclude from any share in the trade of Canton.

During the sixteenth century the Portuguese carried the spices and other products of the East to Lisbon, but from Lisbon onward the carrying trade was in the hands of the Dutch, who acted as distributors for the rest of Europe. At the end of the sixteenth century Portugal and Spain were united under one sovereign, and the closing of the Port of Lisbon by Philip II in 1594 forced the Dutch to sail east themselves in search of the pepper that had become an indispensable item in the diet of Europe. This caused considerable trouble, for the Dutch attack on the Portuguese monopoly led to a fierce struggle which only ended many years later with the downfall of Portugal. In the China Sea, however, the Dutch were worsted. There was a pitched battle at Macao in 1604, after which the Dutch withdrew to Formosa, where they established themselves in forts and factories, the ruins of which may still be seen. Sixty years later they were attacked and expelled from Formosa by Koxinga, a picturesque

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personage who was half patriot, half pirate. The Manchu Emperor had ascended the Dragon Throne some twenty years before and Koxinga was still keeping the flag of Chinese resistance flying in this part of China. In matters of commerce, as Canning had occasion to observe two hundred years later, the fault of the Dutch is offering too little and asking too much. As soon as they had established a market for Eastern wares at Amsterdam they raised the price of pepper from three shillings to eight shillings a pound, thereby adding England to the number of their rivals in the East. The British, their combative and commercial instincts thoroughly roused, decided to sail East themselves in search of pepper — a decision which incidentally had the momentous consequence of giving birth to the United Company of Merchants of England Trading to the East Indies, commonly known as the Honourable East India Company. 'In 1596', says Mr. H. B. Morse, 'a Company with Sir Robert Dudley at its head sent out three ships [to China] taking a letter from the Queen to the Emperor; the ships were never again heard from and as there is no record of tribute having been received from England during the reign of Wan Li (1573-1620) they must have been wrecked on the outward journey. On the last day of the century, December 31st, 1600, letters patent were issued by Elizabeth incorporating a Company under the title of "The Governor and Merchants of London Trading into the East Indies" and granting to it a monopoly for fifteen years of trading between the Cape of Good Hope and the Straits of Magellan. The monopoly was made perpetual by a charter of James I, issued in 1609, was strengthened by another of the Lord Protector Cromwell in 1657, again by another of Charles II in 1661. In 1698, under the sanction of an Act of Parliament, the Government of William III chartered a rival Company — "The English Company Trading to the East Indies". In 1702 it was agreed to amalgamate the old and the new companies, and the amalgamation was carried into effect in 1709.'

British naval power had been steadily growing throughout the seventeenth century and after this amalgamation a more spirited effort was made to overcome the obstacles placed in the path of British merchants by the Portuguese at Macao. Prior to this time a few sporadic efforts had been made to trade at Canton, Amoy, Chusan and other places, but from 1710 onwards the Company gained a regular footing at Canton, and a

factory, as a trading establishment was called in those days, was opened in 1715. On the English side the trade was conducted by that once important but now extinct person the supercargo.

Two hundred years ago a trading ship went exploring to new countries. Each voyage was an odyssey, full of romance and high adventure. The supercargo must not only have the commercial skill to dispose of the 'stock' and make a good return 'investment', he must also have diplomatic abilities of no mean order, for he might have to deal with kings and princes, with admirals and generals, with emperors' merchants or great mandarins' merchants (monopolists, that is to say, with influential back-ing), as well as with common traders. In the early years, when the Company had no permanent establishment at Canton, each voyage was a separate venture, the supercargoes went out and returned with the ship and the East India Company's records contain accounts of the supercargoes of five of the Company's ships all scrambling for a cargo, competing with each other and sending prices up, concealing their transactions and all working to get the earliest dispatch for their own ships. Something of the sort occasionally occurred after 1716 when the Company ordered that the supercargoes on arrival in Canton should form a council, consult together, and act in all matters jointly for the general interests of the Company. It was not till 1731 that one of the supercargoes for the first time stopped over between seasons in Canton. In 1779 the affairs of the Company were placed under the control of the select committee, consisting of a president and a varying number of senior supercargoes. This plan was made permanent in 1786 and the select committee was only finally dissolved when the monopoly of the East India Company came to an end in 1834.

These supercargoes and presidents of committee were men of character and ability, but they were handicapped by having to play the dual role of merchant and diplomatist, and they were still further handicapped by the necessity of taking their orders from the court of directors in England, whose sole concern was the profit to be derived from the trade with China. In the early years the supercargoes were received on terms of equality by the highest officials in Canton to whom they presented annually, before commencing the trade of the year, lists of demands which were, in fact, the precursors of the stipulations inserted at a later date in the 'unequal

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treaties' — the treaties which China was reluctantly compelled to sign after suffering defeat in war. As time went on, however, and the trade became more valuable, the English in Canton gradually sank from their high estate and submitted to wrong and humiliation in order to maintain the position which they had established and avert the risk of losing the profits of this lucrative trade. The difficulties with which the British had to contend may best be illustrated by two specific examples, the details of which are well worth studying at the present day — one is the well-known story of the homicide by the gunner of the *Lady Hughes*, and the other is the not so well-known case of Mr. James Flint.

Mr. Flint, who from the fleeting glimpses that we get of him in the records of the eighteenth century appears to have been of the authentic breed of Warren Hastings and Raffles, in 1736 was a young lad who had been left in China to learn the language. Later he was appointed linguist and acted as interpreter. In 1759 he was sent to Ningpo to put into execution a plan which he himself had pressed upon the Company — namely, to endeavour to open up a trade at that port and thus break through the restriction which confined all foreign trade to Canton. He found, however, that the viceroy of the place, who had previously been at Canton, had received large bribes from the Hong Merchants to exert every influence which he possessed to exclude Europeans from the other ports of the empire. Finding himself completely baffled at Ningpo Mr. Flint proceeded to Tientsin and succeeded in getting conveyed to the court at Peking a memorial setting out the grievances and humiliations which the British at Canton suffered at the hands of the Hoppo. The results were certainly surprising. The Peking Government sent Mr. Flint back to Canton in the suite of an Imperial High Commissioner, with whom he established the friendliest relations, actually residing as his guest for a fortnight in Canton City, an unprecedented and most surprising privilege. The Hoppo was suspended and later found guilty by a commission of high officials specially constituted to inquire into his crimes. Various exactions on trade were abolished, and the barometer seemed set fair. The Canton officials, however, came to the conclusion that it would be far too dangerous to allow foreigners to make direct representations to the Throne; and they secretly determined to make an example of Mr. Flint. The viceroy expressed a wish to see Mr. Flint and he attended the

yamen accompanied by the members of the select committee. After they had been thrown to the floor in an attempt by the attendants to force them to perform the kowtow, the viceroy 'gave orders to Mr. Flint to advance to him. He pointed to an order which he said was the Emperor's Edict for his banishment to Macao for three years, and then to return to England never more to come to China'. Mr. Flint was imprisoned in a village near Macao, 'locked up in rooms with bars like a cage', and all communication with his fellow countrymen was forbidden. After three years of solitary imprisonment he was at length released and allowed to return to England, where no doubt he died of a broken heart like so many gallant comrades of the Lost Legion who spent themselves — but not in vain — in the service of the British Empire. After the visit to the viceroy's yamen 'the French, Swedes, Danes and Dutch met at our factory when we agreed one and all to tell the Hong Merchants, who were then present, that we protested against the proceedings of the viceroy'. But this, as the select committee of 1831, seventy years later, bitterly remarked, 'was mere declamation employed to the Hong Merchants, who seem to have been aware that any degradation would be submitted to for the preservation of trade'.

The case of the *Lady Hughes* is part of the stock in trade of nearly all writers on eighteenth-century foreign relations with China, but the story is worth telling again without undue abbreviation. The *Lady Hughes*, a country ship from Bombay, fired a salute as was customary on arrival at Whampoa, and, unfortunately, a Chinese chop boat (licensed lighter) lying alongside, apparently without the knowledge of the gunner, was damaged by the discharge and two Chinese on board her were killed. Only four years previously a Frenchman who had killed a Portuguese, in circumstances which amounted at the most to manslaughter, had been decoyed out of the factory under the pretence that an examination was necessary, and had been immediately publicly strangled without any form of trial whatever. It was not, therefore, surprising that the unfortunate gunner, though entirely blameless, should have absconded and concealed himself. At first all went well. The accident happened on November 24th, and by November 26th the Chinese had given an assurance that the examination of the gunner would be conducted in the factory by the district magistrate 'accompanied only by his ordinary retinue, without



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soldiers, and that no force should be used'. Next morning, however, the committee learned to their dismay that Mr. Smith, the supercargo of the *Lady Hughes*, had been 'decoyed from his factory by a pretended message from Puankequa, seized and conveyed into the City under a guard of soldiers with drawn swords.' Encouraged by their success in thus securing a hostage, the Chinese immediately stiffened their attitude. Communication between Canton and Whampoa was cut off, the factories were beset with soldiers, and the avenues leading to the quay were barricaded. 'The French, Dutch, Danish and Americans rallied to the support of the English' and the pinnaces of all the ships at Whampoa were sent up to Canton manned and armed. The boats were fired at on their way up but pushed through without returning the fire. Late that evening [the 27th] the supercargoes 'met a petty mandarin strolling along the quay, and he gave them a copy of a mandate of the viceroy addressed to themselves'. This mandate was filled with dire threats of what the viceroy would do with his 'troops with musquets and artillery' if the supercargoes 'dared in our country to disobey and infringe the laws'. The courage both of Mr. Smith (still in custody) and of the English Council now rapidly oozed away and in response to their commands the captain of the *Lady Hughes* sent the unfortunate gunner to Canton with the following letter:

I now send this chit by the poor gunner; I hope you will leave a maintenance if he is detained; pray, dear Smith, take care of the old man, you had better leave something with Munqua for the old man's maintenance, I hope the Chinese will not do harm to the poor old man as it was only a misfortune.

Nothing more is heard of the proposal that the trial should take place in the factory. The council feared that 'the safety of all the English may be endangered by a refusal', and the gunner was accordingly handed over to the tender mercies of the Chinese with no greater protection than a plea for clemency. The accident occurred on November 24th, the gunner was surrendered on November 30th, the embargo on trade was removed on December 6th, and the gunner was strangled on January 8th, without, so far as is known, any form of trial whatever.

There are very few cases, in international politics or in any other sphere, where the right has been all on one side and the wrong on the other, and

certainly these two cases show that the foreign community at Canton suffered many wrongs at the hands of the Chinese. Many writers, however, impressed by the injuries inflicted on China by the imperialist policies of European Powers and by the whole train of events summed up in the phrase the impact of the West, have argued that foreigners placed themselves in the wrong from the beginning because they had no right to force their way into China against the will of the Chinese, and having gone into China they had no right to refuse to conform to Chinese laws. The emotional approach to complicated and difficult international problems generally leads the inquirer sadly astray and as a matter of history the picture drawn by these Chinese apologists is quite untrue. From 1517, when Fernando Perez de Andrade arrived at Canton with eight trading vessels to August 29th, 1842, when the Treaty of Nanking was signed on board H.M.S. *Cornwallis*, it was China who dictated the terms upon which Europeans should trade with and reside in China. The Portuguese put no pressure upon China either when they obtained permission to trade at Canton in 1517 or when, forty years later, the Chinese allowed them to lease a settlement at Macao. For the next three hundred years the conditions under which they lived at Macao bore an extraordinary resemblance to those which grew up in the International Settlement at Shanghai after the signing of the unequal treaties. Similarly, in the case of the British, when the East India Company proposed to establish a factory at Canton in 1715, the supercargoes found that the Chinese authorities, including particularly the Hoppo, the high officer in charge of foreign trade, were very eager that they should do so. The Portuguese, anxious to retain their monopoly as long as possible, tried to frighten them away with stories of the hostility of the Chinese authorities towards the British. The supercargoes, however, got into touch with the leading Chinese merchants who 'engaged for their safety, the Hoppo also pressing his friendship and all the privileges any English ship ever previously had'. It had long been the practice at Canton to encourage English ships to trade there by granting them certain privileges if they would do so and among the privileges which in 1715 were regarded as 'usual' was one that the ships' boats, when flying the flag, should be exempt from search at the Hoppo stations, and another that the supercargoes should have jurisdiction over their own English servants. 'The usual privileges', according

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to the report of the supercargoes, 'were readily granted', and thereafter until the time arrived when a trading community remained over in between seasons at Canton it was the practice for the supercargoes to wait upon the Hoppo immediately upon arrival and obtain from him a confirmation of all existing privileges before they began the trade of the year. It was not till the year 1755 that an Imperial Edict specifically confined the foreign trade to the single port of Canton and it is a significant fact that attempts before that date to open trade at other ports such as Ningpo failed because the supercargoes found that it was impossible to persuade the local authorities to grant privileges similar to those enjoyed at Canton.

The case of the *Lady Hughes* is worthy of careful study, for as regards the procedure followed it is typical of the homicide cases which did so much to disturb relations between Chinese and foreigners in the pre-Treaty days in Canton. In 1784 the Chinese were completely masters in their own house, they had overwhelming force on their side while the foreigners residing in Canton possessed no treaty rights and could not invoke the assistance of either gunboats or officials to protect their interests. If the Chinese authorities believed that the death of the two men in the chop boat was caused by an act which in Chinese law was a criminal offence, there was nothing to prevent them exercising complete jurisdiction. They could, if they chose, have instituted inquiries, arrested the suspected person, brought him to trial, examined witnesses, heard the defence and then proceeded to judgment and execution. The Chinese did not, however, adopt what would seem to the Western mind to be the normal course in dealing with the *Lady Hughes* and similar cases. They insisted that the foreign headmen should exercise jurisdiction up to the point of determining that a particular person was guilty. The procedure followed was thus a sort of fantastic travesty of extradition proceedings, as if the gunner had to be handed over from one jurisdiction to another, and it is this that has given rise to the erroneous idea that the foreigners refused to conform to the laws of China. It is clear that the foreign community at Canton were living, up to a certain point, under the jurisdiction of their own laws and their own authorities, but it was by the wish of the Chinese Government that this was so. The situation was analogous to that which arises in an English Court of Justice when the judge, in determining the rights of the parties, applies not English law but the law of some foreign

country. By a well-known principle of private international law, in certain circumstances, the English law is that French law or Spanish law, etc., as the case may be, must be applied. Similarly in the pre-Treaty days at Canton the foreigners lived under their own jurisdiction, not because they refused to conform to Chinese law, but because Chinese law, applying the Chinese principle of devolution of responsibility, declared that if foreign communities wished to settle in China, they must manage their own affairs in accordance with their own laws and customs under the control of their own headmen, who would be held responsible for the good behaviour of the community as a whole, as well as for the conduct of each member of it.

Though it was by the wish of the Chinese Government that foreign communities in China led their own way of life under the control of their own authorities, it was the social and cultural gulf between East and West that caused both sides to regard this as the only natural solution of the problem. The system developed spontaneously out of the conditions that then existed and it worked tolerably well, at any rate, up to the beginning of the nineteenth century. So far from its being any encroachment on China's sovereign rights, there was a certain lofty condescension in the Chinese attitude. They considered that the uncultured barbarians were incapable of understanding or participating in the glories of Chinese civilization and that it was better, therefore, that they should conform to their own standards of conduct, provided only that they did not openly violate Chinese ideas of propriety or commit acts injurious to the Chinese state. This conduct towards the end degenerated into a sort of perverse delight in humiliating the foreigners in order to demonstrate the superiority of Chinese culture, but for the most part serious difficulties only arose in the occasional cases of homicide of a Chinese by a foreigner. Miscarriages of justice took place in these cases because the Chinese were determined to vindicate the outraged majesty of the Chinese state, and in China as in every other country in the world, not excluding England, political passions, especially when exacerbated by racial or national prejudice, exercise a pernicious influence upon the administration of justice. Judged by normal standards, however, the criminal laws of the Manchu dynasty cannot be condemned as barbarous or inferior. Some of the punishments were savage, not through innate cruelty, but with the

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deliberate object of preserving the stability of the State — an object which the Chinese have achieved with greater success over a wider area and for a greater length of time than any other people; and in any case they were not more cruel than the punishment inflicted at various times by the laws of many European countries. In view of the wholly different structure and conceptions of society in Great Britain and China it is not surprising that the criminal law of China was based upon a different principle from that of England. English law sought to discover the intention with which an act was committed, thereby, it might be argued, setting itself an impossible task. 'The Devil himself', said Chief Justice O'Brien in the thirteenth century, 'knoweth not the mind of man.' Chinese law looked rather at the act itself and its consequences. It was the crime rather than the criminal that was punished. The Chinese have always been commendably ready to repress crimes committed by their own nationals against foreigners and in this respect their record compares favourably with that of the British. Their failures have occurred in times of great popular excitement during anti-foreign riots or anti-Japanese boycotts, but in British courts in China, juries being more susceptible to national prejudice even than judges, many miscarriages of justice have taken place.

National prejudice and misunderstanding have clearly affected the judgment of foreigners on the Chinese system but when every allowance has been made it is difficult to understand how, during the period from the beginning of the eighteenth to the middle of the nineteenth century, conditions in the courts and prisons in Canton could have seemed barbarous to contemporary British observers. After the lapse of a century a better perspective perhaps is possible. English criminal law at that period, inflicted the death penalty for innumerable petty offences against property and had earned a reputation for savagery even in contemporary European opinion, and the descriptions that have come down to us of the hulks, the voyages of convict ships to Australia and the English prison system generally do not convey the impression that in these respects England was a less barbarous country than China.

A common source of error is the tendency to lift events of the past out of the background of the social economic and political pattern of their times and judge them according to the moral standards of a later age. Much of the indignation, for example, over the export of opium from India

to China fails to take account of the fact that this happened in an age when negro slavery found ardent defenders in America and when England was drenched with gin and public-houses exhibited notices 'Drunk for a penny, dead drunk for twopence'. The rights and wrongs of the opium trade must be judged in the light of ideas that were commonly held in England and in China a century to a century and a half ago, and not against the wholly different background of the twentieth century. The Chinese, however, have suffered more in this respect than the British. The judicial system that foreigners found in operation in China in the eighteenth century has been condemned as barbarous by writers who, no doubt unconsciously, take as their standard of comparison, not contemporary European systems, but the English judicial system of to-day. In recent years the Chinese have with much labour and devotion elaborated codes and established modern courts in order to bring their judicial system into line with the legal conceptions of the West. They have met with a considerable measure of success and their administration of justice compares favourably with many European and South American countries where British traders do not dream of asking for special measures of protection. Nevertheless, there is still a tendency to demand that the modern courts in China should reach a standard comparable to that of the highest courts in England before they can be entrusted with the unfettered adjudication of cases where British interests are involved.

### CHAPTER III

## OPIUM AND THE OPEN DOOR

CERTAIN words, such as appeasement, imperialism, etc., have become terms of abuse and are commonly employed in international politics, not with reference to any precise meaning that can be attached to them but because, like charity, they cover a multitude of sins, and because slogans are a convenient way of appealing to passion or prejudice. In certain circles British policy in China has been described as imperialistic, but the one certain fact that emerges from the record is that Great Britain came to China for no other purpose than trade, that she consistently sought her own commercial interests in the prosperity and general welfare of China, that she was entirely innocent of any imperialistic designs, and that in her relations with China extending over two and a half centuries there are only one or two occasions when her actions went counter to the main current of her policy and might fairly be described as imperialistic. That she was sometimes unjust and arbitrary is perfectly true, but that is a different thing to imperialism, which aims at domination and the destruction of political independence. The thought that was constantly in the minds of the British Government and of British merchants in China was that if China were wealthy, well governed and orderly, if she had sufficient confidence in herself to throw the whole country open to foreign trade and enterprise and allow her full resources to be developed the potentialities of the China market would know practically no limit. No Power could hope to dominate the whole of China or would derive much benefit even if she succeeded in so insane an enterprise, while the break up of this magnificent well-balanced whole into fragments dominated by mutually exclusive and mutually hostile Powers would be a major catastrophe. Thus the British, among whom the commercial instinct is even stronger than that of the Empire builder, were led not by any innate superior virtue but by the dictates of common sense or, as some might prefer to say, by calculations of self-interest to adopt the policy of the open door and equal opportunity for all, the corollary of which is the

independence and integrity of China. She has never abandoned that policy though she has not always been powerful enough to secure its acceptance by other Powers.

The British, like the Portuguese and the Dutch before them, arrived in the Far East via the Indian Ocean and their activities at Canton and other places in the China Sea were an extension of the system of commerce established in that area. When the Portuguese discovered the way round the Cape of Good Hope at the end of the fifteenth century they found that the whole vast commerce of the Indian Ocean — a commerce many times greater than any that had ever existed west of the Isthmus of Suez — was a monopoly in the hands of the Arabs. The main collecting centres were Calicut on the west coast of India and the Straits of Malacca, and from these points Arab dhows transported immensely valuable cargoes up the Persian Gulf and the Red Sea whence they were transported by land across Mesopotamia and Egypt to European waters.

There seems to be some evidence that Chinese junks at a very early period sailed as far as India and the Persian Gulf, but in the regular monsoon winds that blew in the Indian Ocean the dhow was a faster vessel than the junk and from the time when ocean sailing, as opposed to coasting, first began the foreign trade of all Eastern countries, including China, was carried mostly by the Arabs. A numerous Arab community was settled in Canton as early as A.D. 300, and the Chinese records describe the Arab ships which visited Canton in the eighth century so huge that ladders several tens of feet in length had to be used to get aboard. After many centuries of wealth and power, however, the Arabs were now forced to surrender their monopoly to the Portuguese. The great navigators and administrators, who for the space of a century raised Portugal to such eminence, never for a moment thought of being content with merely a fair share of the trade. They had no desire to annex territory or to found an empire, but almost from the first moment of their arrival in the Indian Ocean they conceived and proceeded to carry into execution a plan, magnificent in its scope and its simplicity, for controlling the traffic of the whole region in the interests of Portugal. They forcibly prevented any cargo reaching the Arab dhows at the collecting stations in India and the Straits of Malacca, and by seizing Ormuz and Socotra they effectually sealed the entrances to the Persian Gulf and Red Sea. By



this means the wares of China, the pepper and the cloves from the Spice Islands and the produce of India were all diverted to the Portuguese stations — chiefly Malacca and Goa — which took the place of Calicut and were carried in Portuguese ships round the Cape of Good Hope to Lisbon, whence they were distributed throughout Europe by the Dutch.

The union of Spain and Portugal in 1580 struck a fatal blow at Portugal's prosperity. The defeat of the Spanish Armada in 1588 broke the naval power of both countries and the decree of Philip II in 1594 prohibiting sales in Lisbon to merchants and dealers of Protestant countries had the same sort of boomerang effect as the League Sanctions of the twentieth century. The Dutch, followed soon after by the British, sailed East themselves to buy the spices for which all Europe clamoured. The Dutch avoided India, went straight to the eastern end of the Indian Ocean and from there set about destroying the Portuguese position as deliberately, systematically and ruthlessly as the Portuguese had destroyed that of the Arabs. The Dutch, unlike the Portuguese, aimed not only at a monopoly of commerce but sought also to increase the volume of commerce by conquest and annexations. For a space of about ninety years they held a dominating position in the Indian Ocean, but they never succeeded in obtaining a complete monopoly, comparable to that of their two predecessors, because they had the British to contend with as well as the Portuguese. By the middle of the seventeenth century England under Cromwell had become a great naval Power and the desperate struggle for mastery between the Dutch and the British began. By the beginning of the eighteenth century the Dutch were exhausted; French naval power in Europe had been broken and the British advanced steadily to the first place. In 1715 they extended their operations to the China Sea and opened a factory at Canton; and at the end of the Seven Years War in 1763 they were left complete masters of the Indian Ocean, a position which they have retained down to our own times.

The Arabs, the Portuguese and the Dutch each in turn have struggled to obtain a monopoly of the Eastern trade. From the time of their first entry into the Indian Ocean on the heels of the Dutch the British never entertained any such idea. During the seventeenth century they resisted any attempt to interfere with the trade which they themselves had been able to secure, but they made no attempt to destroy the trade of their competitors;

nor did they use their power for this purpose after they had achieved in the eighteenth century a position as dominant as that of the Arabs, the Portuguese or the Dutch before them. During the wars of the eighteenth century, England seized at one time or another nearly all the Eastern possessions of her rivals and competitors. These possessions were always restored when peace returned, except in the few cases when they possessed strategic importance and might be a danger in the hands of a future enemy. Holland had been England's most dangerous and most ruthless rival. At various times England captured practically all the Dutch possessions and could have excluded Holland from the Indian Ocean altogether, but with the exception of Ceylon and the Cape of Good Hope they were all restored. A similar policy was pursued towards the French and it was the British attitude that enabled the Portuguese to save the last remaining fragments of their former possessions in India.

It seems probable that in some unconscious fashion the lessons of the Arabs, the Portuguese and the Dutch had sunk into English minds — the lesson that the ruthless use of superior force to impose domination and destroy competition leads to ruin in the end. Sir Eyre Crowe in a memorandum which has become one of the classics of the English language has described how England's foreign policy is determined by the immutable conditions of her geographical situation; how the power of a state supreme at sea must inspire universal jealousy and fear and how an island kingdom, not possessed of the military strength of a people trained to arms and dependent for its food supply on oversea commerce, is exposed to the danger of being overthrown by a hostile combination. 'The danger can in practice only be averted — and history shows that it has been so averted — on condition that the national policy of the insular and naval state is so directed as to harmonize with the general desires and ideals common to all mankind, and more particularly that it is closely identified with the primary and vital interests of a majority, or as many as possible, of the other nations. Now the first interest of all countries is the preservation of national independence: It follows that England, more than any other non-insular Power, has a direct and positive interest in the maintenance of the independence of other nations, and therefore must be the natural enemy of any country threatening the independence of other nations, and the natural protector of the weaker communities.' Sir Eyre Crowe was not

advocating some new policy for the future; he was describing something that had come gradually into existence during many generations before the time when he wrote. The truth and significance of his memorandum lay in the facts that at no time did England use her sea power to destroy the commercial competition of her rivals in the Indian Ocean, and that when it fell to her lot to fight the battle of the West and force from China recognition of the equal status of other sovereign states the instructions which she gave to her plenipotentiaries were that England sought for no advantage which she did not wish to see shared by all other nations. It was natural and indeed inevitable that England should from the beginning adopt the policy of the open door and equal opportunity which in the circumstances of the nineteenth century was the only guarantee for the independence and integrity of China. It was equally natural that America should arrive at the policy of the open door by the opposite road of insisting upon an equal share in the advantages enjoyed by other nations.

It is not surprising, however, that in Canton the British were regarded with suspicion. When the East India Company first went to India command of the sea would give them all that they wanted and they had no thought of territorial annexations. 'They were content to thrust an office manager ashore as their chief representative at Surat between Goa and Diu — the two greatest sea fortresses in all Asia — and provided him with a bungalow, a "factory" or warehouse, a few clerks and boatmen and a stand of flintlocks. Not a rampart wall or ditch defended his five-acre plot.' And because this office manager represented a country that held command of the sea he spoke on level terms with emperors, princes and viceroys. Nevertheless, a hundred years later the agents of the Company had acquired, mostly against the wishes of the court of directors, a number of fortified places, the Company had accepted the *fait accompli* and by the beginning of the eighteenth century had embarked upon a career of colonial expansion. In 1765 Clive began his meteoric career, in 1773 the three presidencies of the Company were united under Warren Hastings as Governor-General and the British Empire in India had half fortuitously come into being. It is certain that these developments reacted on the relations between the British and the Chinese in Canton. It was clearly impossible that there could be any similar developments in the vast solid indestructible mass of China and the British were anxious to impress

upon the Chinese that they harboured no aggressive or imperialistic designs, but, as so often happens, blunders in high policy caused the opposite impression to be conveyed.

In 1801 the armies of France and Spain invaded Portugal and the British Government decided to support the Portuguese by sending a force to occupy Macao with a view to preventing a possible occupation by the French. The select committee were much disturbed at this news, for Macao, though leased to the Portuguese, remained under the full sovereignty of China. They pointed out that the Chinese were very ready to believe stories about British aggression. 'The vicinity of the English territories on the side of Tibet, their numerous conquests and victories in Bengal and recently the conquest of Mysore have all more or less tended to produce in the minds of the Chinese a dread of the English nation, and impressed them with an idea of their aiming at universal conquest in the East.' The committee deprecated any measure 'which may give occasion for umbrage to the Chinese and tend to confirm the unfavourable sentiments they already entertain relative to the restless and intriguing temper of the English nation'. The committee further pointed out that if the French, not having command of the sea, seized Macao it would be no injury to the English but merely an embarrassment to themselves — one of those elementary lessons in high policy that, at critical moments, our rulers are so often in the habit of forgetting. The expeditionary force, however, arrived and the select committee did their best to convince the Chinese authorities that no aggression was intended and that the troops would not be landed without their consent. Fortunately at this moment news arrived of the peace in Europe and the ships and men returned to India, but unfriendly elements among the Portuguese in Macao did not fail to tell the Chinese that the British had really intended to thrust out the Portuguese and take possession of Macao for themselves.

In 1801 the president and select committee had shown both wisdom and good judgment but their successors in 1808 went to the other extreme of folly. The new president had persuaded himself that the Chinese would welcome at Macao a Power that could help them to suppress the pirates, whose activities were one of the signs of the increasing weakness of the Chinese administration. Ignoring all that had happened in 1801, the

committee advised that, if the Portuguese agreed to accept our protection against the French, 'neither embarrassments to our affairs or any serious opposition was to be apprehended on the part of the Chinese Government'. No request was made to the viceroy at Goa for instructions to be sent to the governor at Macao, no officer was sent ahead to prepare the way, but on September 11th, 1808, an expeditionary force suddenly appeared off Macao and on September 21st the troops were landed against the wishes of both Portuguese and Chinese. The Chinese stopped the trade, cut off supplies and threatened to attack, and in the face of this attitude the expeditionary force withdrew three months later.

The Chinese fortunately were much too homogeneous, vigorous and powerful a nation to fall a victim to the kind of imperialism that eventually brought every country bordering on the Indian Ocean from the Cape of Good Hope in the south-west right round to Australia in the south-east — with one small exception — under the rule of European countries. If the power of the Chinese State had been more dynamic and less static in quality China might have continued, perhaps indefinitely, to dictate the conditions upon which foreigners might live and trade within her territory, and it is probable that had she been powerful enough she would have imposed conditions which Europeans would have been satisfied to accept. Out of weakness and fear she imposed conditions that Europeans, especially the English, conscious of superior power, felt to be intolerable. And because China would, of her own initiative, neither alter the conditions nor agree to diplomatic intercourse for the discussion of grievances, a clash became inevitable. It is possible, however, that the clash would not have been so serious if the situation had not been exacerbated by the problem of opium.

In 1773, when Warren Hastings became Governor-General of India, one of his first acts was to take over the monopoly of the sale of opium. In 1797 the Government of India also assumed the monopoly of manufacture. During the eighteenth century opium had been finding its way into China in gradually increasing quantities, and in 1800 the import of opium was prohibited by Imperial Edict. Prohibition not backed by an effective preventive organization merely increased enormously the profits of the illicit trade in opium which was now conducted openly along the whole China coast with the connivance of the Chinese officials. For the

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first time an article was imported from abroad which the Chinese were eager to buy. A regular trade sprang up, the opium being conveyed up the coast from Canton in specially constructed, fast, well-armed sailing boats, and at some places, which were never opened to foreign trade even after the war, the foreign smuggling fraternity were allowed to have little settlements of their own. Between 1800 and 1840 the amount of opium thus imported into China increased enormously. Whereas formerly silver had been imported to pay for the exports of tea and silk, the sales of opium were now so great that the current turned and silver was shipped out of China in increasing quantities. The Chinese thus found themselves faced with a social, economic and political problem of terrific magnitude. In 1839 the Emperor decided to adopt drastic measures to stop the import of opium altogether, but before describing what happened at Canton as a result of this decision it will be convenient to complete this brief sketch of the opium question.

In the early part of the nineteenth century opium was regarded by the Indian Government as a pernicious drug and the policy adopted was to restrict the habit of opium by obtaining a maximum revenue from a minimum consumption — a policy of high prices and small sales. In 1830 this policy was changed to one of maximum production at lower prices and this had the double effect of greatly increasing the amount of opium smuggled into China and of increasing the amount of revenue accruing to the Indian Government. In the next few decades the flood of imports became a torrent which only began to slacken about 1865 owing to the greatly increased production of opium in China. The amount of opium revenue which accrued to the Government of India was as follows:

1820-1843 about	£1,000,000	per annum	
1810	£2,000,000	"	"
1865-1880 over	£4,000,000	"	"
1880-1882	£5,000,000	"	"
1882-1910	£4,000,000	"	"
1910-1911 over	£7,000,000	"	"

Between 1850 and 1880 proposals were frequently made that the monopoly should be abolished, but no action was ever taken owing to the huge loss of revenue that would be entailed. By 1893 considerable

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agitation had developed and the Indian Government was charged with having changed their attitude towards opium on account of revenue considerations. A Royal Commission on opium was appointed in that year. After conducting exhaustive investigations over a period of two years the Commission produced a report which was a complete justification of the Government of India. The main points in the Report were to the effect that:

- (1) The opium habit as a vice scarcely existed in India.
- (2) Opium is exclusively used for medicinal and quasi-medicinal purposes, in some cases with benefit and for the most part without injurious consequences.
- (3) The non-medical and medical uses of opium are so interwoven that in the distribution and sale of opium they could not be separated.
- (4) It is not necessary to prohibit the growth and manufacture of opium except for medical purposes.
- (5) The misuse of opium in India is negligible.
- (6) There is no evidence of extensive moral or physical degradation from the use of opium.
- (7) Opium smoking is regarded as a disreputable habit and is little practised in India.

The Indian Government have always maintained that whereas eating opium as practised in India was not harmful, smoking opium was so pernicious that it had to be absolutely prohibited. When Burma was annexed in 1886 it was found that opium smoking was having a very injurious effect on the Burmese race and absolute prohibition was accordingly imposed.

In China as in Burma the vice of opium smoking took firm hold, but one of the results of the national revival which began in 1900 was the growth of a strong public sentiment against opium. In 1906 the Chinese Government decreed that opium should be totally eradicated in ten years and negotiations then began with the Indian Government. With the passage of time there had been a growth in moral ideas. In 1883 Gladstone had been able to say in the House of Commons, 'The opium that we allow to be exported is sent to that country to be received by China if she choose to receive it', but two decades later it was felt that a moral duty rested on Britain to co-operate with China in dealing with this great



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evil. In 1907 the total export of opium from India was 67,000 chests per annum as, follows:

To China	51,000 chests
To other countries	16,000 „
	<hr/>
	67,000 „

In 1907 accordingly the Indian Government agreed to reduce the amount exported to China by 5100 chests a year, so that the extinction of the trade should coincide with the final eradication of the poppy decreed by the Chinese Government. Enormous difficulties were met with in carrying out this plan for the profits on smuggled Indian opium had now risen to fabulous sums, and eventually a position was reached when 1200 chests of Indian opium, valued at £4,800,000, had accumulated in China, although there was no province in which they could legally be sold. Eventually the Chinese Government solved the difficulty by purchasing the stocks of opium and burning them. The foreign trade in opium thus came to an end and seven years later, in 1926, India prohibited the export of opium from her ports altogether.

The burning of the opium stocks in 1919 was the last flicker of the flame. China now fell into political confusion, the production of opium in China increased by leaps and bounds, prohibition became merely a device for extracting revenue from the traffic, while the opium revenues were both the chief price and the chief support of the civil wars which distracted the country. Since the establishment of the present national Government at Nanking in 1928, there has been a very marked improvement, but the problem of opium is now overshadowed by the far more serious problem of cocaine and other habit-forming drugs, with which, however, I do not propose to deal.

It is now time to return to Canton and see what part opium played in the first Anglo-Chinese war. In 1793 Lord Macartney, our first Ambassador to the Court at Peking, was sent on a special mission to China to try and persuade the Chinese Government to enter into diplomatic relations with Great Britain and to agree to certain modifications of the conditions under which the trade between the two countries was conducted. During the trading season the British merchants lived in the factories at Canton

but were not allowed to bring their women folk with them; when the trading season was over they had to retire to the Portuguese settlement at Macao. According to the regulations that were periodically brought to their notice they were not allowed to walk in the streets, to ride in sedan chairs or to row on the river. They were allowed to walk in certain flower gardens three days a month under charge of a keeper. Native literati were forbidden to teach them the Chinese language, they had no access to the officials, but were obliged to present petitions through the Chinese merchant of the 'Co-hong', an association to which had been granted the privilege of trading with foreigners. Insulting proclamations were occasionally issued by the authorities and posted at the City gates. The supercargoes had great difficulty under these conditions in carrying out the functions, delegated to them by the Chinese authorities, of controlling and exercising jurisdiction over the British community, and in particular great difficulties were experienced in dealing with the crews of the sailing ships which were anchored at Canton for several months at a time. The sailors fell an easy prey to liquor sellers and every other kind of land shark and affrays between drugged or drunken sailors and Chinese mobs were a frequent source of anxiety. In his commercial transactions the British merchant 'was surrounded by an impenetrable veil: he had no access to markets, he could not even walk down a street of shops, he could send no independent or trustworthy agent to inquire prices, but must in all cases accept without criticism the prices offered by the merchants of the "Co-hong"'. On the other hand the merchants lived in the factories in considerable luxury, their relations with the Chinese merchants of the 'Co-hong' were of the pleasantest description and the tradition of generosity honourable dealing and mutual affection and respect, which was established two hundred years ago, has lasted down to our own times.

The following extract from Lord Macartney's communication to the viceroy at Canton in 1793 gives some indication of where the shoe pinched. He complained that:

The English merchants have hitherto been confined while at Canton to the bounds of their own Factory and a smaller space beyond it, without being suffered to go further either for the benefit of the air, health or exercise, or being suffered to enter the City without special permission, as if they were a barbarous or mischievous nation.

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Among his requests was one 'that the English sailors require to be kept under strict discipline and be separated as much as possible from the Chinese, some little spot or islet may be allowed for that purpose in or near the river of Canton, and for an Hospital for the seamen'. Another request was 'that it be allowed to a Chinese to instruct the English merchants in the Chinese language, a knowledge of which may enable them to conform more exactly to the Laws and customs of China'.

Lord Macartney's mission was received with much splendour and he himself was treated with great courtesy, mingled with the usual Chinese condescension. But as regards the object of his mission he was not allowed any opportunity of discussion or negotiation, and it was only after his departure that the Emperor Ch'ien Lung issued an edict dealing in detail with the requests which he had made on behalf of the British Sovereign. King George III was informed that the earnest terms in which his memorial was couched revealed a respectful humility on his part which was highly praiseworthy, but a British Envoy could not be allowed to reside in Peking because it was doubtful whether he could acquire the rudiments of Chinese civilization, and in any case it would be impossible for him 'to transplant our manners and customs to your alien soil'. The proposals that British merchants should be allowed to come to Peking and that other ports besides Canton, such as Ningpo, Chusan or Tientsin, be opened to foreign trade were flatly rejected. 'For the future as in the past I decree that your request be refused.' It was, of course, perfectly true that at this period the Chinese had nothing to gain by the grant of more extensive trading facilities. As the edict pointed out, 'Hitherto all European nations, including your own country's barbarian merchants, have carried on their trade with Our Celestial Empire at Canton. Such has been the procedure for many years although our Celestial Empire possesses all things in prolific abundance and lacks no product within its own borders. There was, therefore, no need to import the manufactures of outside barbarians in exchange for our produce. But as the tea, silk and porcelain which the Celestial Empire produces are absolute necessities to European nations and to yourselves, we have permitted as a signal mark of favour, that foreign hong's should be established at Canton, so that your wants might be supplied, and your country thus participate in our beneficence'.

Lord Macartney's other requests for the grant of a small site near Canton

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or a small island near Chusan, for a more satisfactory method of levying taxes on the trade at Canton and for permission to propagate the Christian religion, were all flatly rejected. 'Ever since the beginning of history', said the edict, 'sage Emperors and wise rulers have bestowed on China a moral system and inculcated a code which from time immemorial has been religiously observed by myriads of my subjects. There has been no hankering after heterodox doctrines . . . The distinction between Chinese and barbarian is most strict and your Ambassador's request that barbarians shall be given full liberty to disseminate their religion is utterly unreasonable.'

Three years later Ch'ien Lung abdicated, and under his successors China fell headlong into a long century of decline and decay and the position as regards her external relations rapidly deteriorated. An uneasy feeling that China was growing weaker and Western nations more powerful, the indication given by the two attempts to occupy Macao of what Western aggression might mean, the increasing lawlessness and violence that accompanied the rapidly growing illicit trade in opium all combined to cause a deterioration in the Chinese official attitude towards foreigners. In 1816 another Ambassador, Lord Amherst, was rudely dismissed without an audience, and in 1834, when the Charter of the East India Company expired and the Government appointed Lord Napier, Chief Superintendent of Trade at Canton, the viceroy refused to see him or receive any communication from him. The ignorance shown by both the British Government and their representatives on the spot of local conditions and of Chinese ways of thinking and acting must bear some share of the responsibility for this contretemps, but from this moment, to use Mr. Morse's expressive phrase, 'war was hanging in the air'. It was precipitated five years later by the measures adopted by the Chinese Government to suppress once and for all the traffic in opium.

The Emperor Tao Kwang succeeded to the Throne in 1820 and found the whole empire a prey to misrule, disorder and rebellion. In spite of the earnest efforts of himself and of one or two able and honest officials whom he found to carry out his wishes, he failed to find any remedy for these grave evils, and China continued on her downward course till the end of the century. Owing to the laxity and corruption of the provincial administration at Canton the illicit trade in opium had increased enormously

and was carried on quite openly with the connivance of the authorities whose duty it was to check it. The few officials who genuinely wished to suppress the evil saw no means of taking direct action against the smugglers and the smuggling organization, and could think of no better plan than to put the whole responsibility for suppression on the foreign merchants who imported the drug. The illicit trade, however, as the event proved, could not be stopped by measures such as these. Eventually after long consideration the Emperor decided that drastic measures must be taken and a High Commissioner — the famous Lin Tse Hsü, an able, energetic and honest official — was sent to Canton with full powers to act. Lin demanded that all the opium in Canton and in the receiving ships off the coast should be surrendered, that the foreign merchants should sign a bond guaranteeing that none of their vessels should ever again import opium, that if in future any opium were discovered on board, the vessel or cargo would be confiscated and the guilty party surrendered for execution. It was this bond, by which the merchants would undertake to hand over a possibly innocent person for execution, that was the real stumbling block. In order to enforce his demand the High Commissioner surrounded the factories with armed men, withdrew all the Chinese servants, clerks and compradores and stopped the loading and discharge of cargo. On March 28th, ten days after Lin's arrival, Captain Elliot — the British Superintendent of Trade — agreed to surrender 20,283 chests of opium, which had cost over £11,000,000. The opium was duly surrendered and destroyed, after which the principal agents of the traffic carried on the trade from places outside China, and native and foreign smugglers, in fast, well-armed boats, continued to deliver the drug at places along the coast.

The High Commissioner was well pleased with his victory and raised the embargo on trade. To his surprise and disappointment, however, Captain Elliot refused to reopen the trade. He left Canton with the whole British Community for Macao and refused to allow any British ship to sign the bond and enter the port of Whampoa. In a manifesto of June 21st, 1839, Captain Elliot explained that the opium traffic had been encouraged and protected by the highest officers of the Empire and that no portion of the foreign trade had paid its fees to the officers with so much regularity as this of opium; that the recent proceedings so far from abolishing the opium trade had 'given an immense impulsion to it'; that

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in the circumstances the imprisonment of the foreign community, innocent and guilty alike, for seven weeks was grossly unjust and arbitrary. There could be no safety for defenceless men thus placed in the power of the Government at Canton. He was awaiting the instructions of the British Government and trade could not be resumed until justice had been done and intercourse placed upon a footing honourable and secure to China and to England.

Captain Elliot evidently expected that the British Government would send out a punitive expedition and that the whole question of the conditions of intercourse between the two nations would then be placed upon a satisfactory basis. It is highly probable, however, that if nothing had happened to disturb the course of events, the British Government would have waited, local passions would have simmered down and some *modus vivendi* would have been patched up. The Chinese were by no means anxious that the stoppage of the lucrative foreign trade should continue too long, and by October a method had been discovered by which the trade was reopened without the signing of any bond. In the meantime, however, there occurred another of the homicide cases (the last of the series) which in pre-Treaty days proved so disturbing an element in Anglo-Chinese relations. Many of the foreign ships had been detained at Canton for four or five months and the sailors were getting out of hand. On July 7th there was a drunken brawl in the course of which a Chinese was killed, and when, after due inquiry, Captain Elliot informed the Viceroy that it was impossible to discover who had struck the fatal blow, the Viceroy's reply was to the effect that one at any rate must be surrendered for execution. After the affair of the *Lady Hughes*, fifty-five years before, this was a demand with which no British authority could comply and the High Commissioner now proceeded to force the hand of the British Government by actions which were in effect a declaration of war upon the British community. A large armed force advanced upon Macao, proclamations were issued, cutting off supplies and withdrawing Chinese servants, the Portuguese Governor of Macao was ordered to expel all the English residents, and the villagers were ordered to arm themselves and attack and kill any foreigners who ventured ashore. The arrangement dispensing with the bond was cancelled, and on October 25th a peremptory order was issued demanding the surrender of the murderer and stating

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that if the British ships did not either immediately enter Whampoa and begin trading, or sail away, they would be completely destroyed by fire. There were two small British warships in Canton waters at this time. On November 23rd, 1839, twenty-nine war junks under a Chinese admiral approached them and renewed the demand for the surrender of the murderer: 'At this moment all that I want is the murderous foreigner who killed Lin Wei Hi, a single individual.' The British vessels opened fire and this was the beginning of the first Anglo-Chinese war which was ended by the treaty of Nanking of August 29th, 1842.

Unprejudiced persons will agree that the war was not fought to force opium on China. The treaty of Nanking said nothing about opium which continued to be prohibited until the trade was legalized and heavily taxed some sixteen years later, but the Chinese Government was forced to pay an indemnity which covered the cost of the destroyed opium and after the war their efforts, such as they were, to stop the traffic collapsed. It is truer to say that the war was fought to compel China to enter into diplomatic relations on terms of equality, but even this is no more than a convenient ellipsis: the war broke out because a tense situation developed owing to China's refusal over a period of many years to treat other states as equals and settle matters in dispute by negotiation, and the result of the war was to compel China to modify her attitude, sign treaties and enter into diplomatic relations with Western Powers. As regards opium neither side emerges with much credit. Had the problem arisen a hundred years later England would unquestionably have co-operated from the beginning in efforts to prevent opium reaching China. On the moral issue, however, China's quarrel is not with England but with the moral standards of Western nations in general. On the other hand, China's own moral standards do not entitle her to much sympathy, for even in Lin Tse Hsü's famous letter to Queen Victoria no higher duty is recognized than that of decreeing the suppression of opium without devising appropriate machinery for that purpose.

The Chinese like the British attach importance to reason, fair play and moderation in their dealings with other people. It is not surprising, therefore, that Lin's high-handed and violent actions against the foreign community at Canton aroused misgivings among his own countrymen. In the year 1850 a Chinese named Wei Yuan, who had held various official



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posts, wrote a history of the *Military Operations of the Present Dynasty*. Chinese historians have always borne a high reputation for faithful presentation of facts and Wei Yuan's book is no exception to the rule. In the last two chapters he describes the first war between England and China. He presents the facts fairly and objectively, making no attempt to cover up China's faults or to make out a case for his own country. He describes, for example, how in 1826 the viceroy at Canton established a service of cruising junks and how these junks, for a monthly bribe of taels 36,000, allowed the opium to pass freely into the port of Canton from the receiving ships anchored outside. The admiral in command of the junks was cashiered but, because he had been recommended for his post by a previous viceroy, 'it was impossible to punish him capitally or according to his deserts'. Wei Yuan observes that if the illegal extortions of the Hoppo had been abolished and if these millions had been spent upon reforming the Navy with the aid of foreign experts, 'just as the Astronomical Board avails itself of foreign astronomers' labours', then 'in a very short time China would have been able to match foreign skill with Chinese skill'. He criticizes as far too stringent Lin's demand that all foreign ships entering Canton must give bonds agreeing that ships found smuggling opium should be confiscated together with their cargoes, and that the individuals concerned should be executed at once. He points out, moreover, that Lin's demand was actually illegal, for by Chinese Law 'Mongols and other persons beyond the pale of civilization shall be at liberty to ransom capital offences by a fine payable in cattle'.

In summing up Wei Yuan expresses the opinion that the events leading up to the war were the objections to signing away the lives of opium traders and to delivering up a person to answer for the homicide of Lin Wei Hi, while the actual cause of the war was not the forced surrender of opium but the closing of the trade.



## CHAPTER IV

### CONFUCIUS AND MODERN CHINA

IN the nineteenth century both China and Japan were faced with the problem of the impact of the West. China failed miserably while Japan achieved an almost miraculous success. The qualities of loyalty, courage, patriotism and self-sacrifice to which her success was due, and which were so conspicuously lacking in nineteenth-century Manchu-ridden China, have won universal admiration. Nevertheless, it is impossible to doubt that, in spite of her failure, China is the greater country of the two. Japan has borrowed freely, from whatever source became available to her, anything that seemed likely to contribute to her prosperity or worldly advantage. She has put on and taken off many garments fashioned by others and she has shown an extraordinary talent for applying to her own problems the fresh stores of skill and knowledge made available by the labours of others. The Japanese have quick and receptive minds, but they adopt the culture, the science and the way of life of others without understanding the thought that lies behind. They have never in effect developed beyond the primitive tribalism which fiercely concentrates all its energies on the single object of the advancement of the Yamato race. There is a great contrast between the shallow mind and narrow outlook of Japan and the universal genius which China displays in her profound and reflective intellect, her achievements in art, literature and philosophy, no less than in government and administration. The contrast is of far greater significance than the failure of the one or the success of the other in the special circumstances of the nineteenth century. Nevertheless, the failure of China is a phenomenon which demands explanation. The system of thought which we associate with the name of Confucius spread its influence over people inhabiting diverse and widely separated regions. By its transforming influence rather than by the use of force it united a vast population into one political community, with a distinctive culture which was in the past the contemporary of classical Greece and Rome, and with a history which, as Professor Tawney says, 'spans with an impressive continuity, what in

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the West are regarded as separate epochs'. It is all the more surprising therefore that Confucianism failed to find a solution for the problems of the modern world.

Early Chinese legends as to the origin and continuity of Chinese civilization have been triumphantly vindicated by recent archaeological discoveries and the researches of modern scholars, both Chinese and foreign. In particular the theory that civilization was brought into China by a race immigrating from the West has been entirely discredited. Civilization begins when the transition takes place from a hunting and food gathering way of life to the more sedentary life of the agriculturist. In many parts of the world cultivation of the soil began in regions traversed by great rivers like the Ganges or the Nile, but in China the course of development was different. The Loess Highlands in Shensi and Kansu, in the far north-western corner of China, are composed of a fine wind-borne silt which covers the land with a blanket in places several hundred feet deep. From the Loess Highlands to the mountain region of Shantung on the sea coast there stretches across the central portion of the Great North China Plain a band — or bands — of redistributed loess laid down by the agency of water as well as wind. The chief characteristic of the loess is its great and inexhaustible fertility. 'Wind and human agency can expose new surfaces producing much the same effect as the renewal of the soil by the Nile floods.' This belt of fertile land, though subject to semi-arid steppe conditions and liable to occasional floods, was never covered by either forest, marsh or jungle. It was, as Dr. V. K. Ting has pointed out, favourable to agriculture and to wheeled vehicles which made early settlement and continuous diffusion of culture possible. All the evidence which has accumulated in recent years confirms the Chinese legends that it was in this central portion of the North China Plain — comprising parts of Shantung, Honan and Hopeh — that neolithic man was first encouraged to face the problems of water control and utilize the possibilities that the loess presented for agriculture. The distinctive culture, known as the Black Pottery culture, was developed in this region in neolithic times.

The three royal dynasties which ruled in the North China Plain were the Hsia, the Shang or Yin and the Chou, and the dates traditionally assigned to them are for the Hsia 2205 B.C., for the Shang 1765 B.C., and

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for the Chou 1172 to 256 B.C. The Hsia hover on the borderland between history and legend. The Bronze Age began with the Shang, two thousand years later than in Egypt or Sumeria, and with the Chou the feudal period and something like authentic history begin. The skeletal remains of the Shang show that they were a people of a Mongoloid type, similar to both the neolithic people and to the modern inhabitants of North China. This Shang civilization, according to Professor Roxby, 'is the earliest that can be called Chinese in the full cultural sense, but it is already so complex, and in many ways so rich, as to indicate long antecedents'. The Shang capital was at Anyang in Honan. It was here that were first discovered the oracle bones used for divination purposes. The inscriptions on these bones prove the existence of walled cities, armies and state services, the use of chariots and a relatively advanced agriculture. Other discoveries include elaborate sculptures and many very beautiful bronze vessels. Recent archaeological work has definitely established that this fully developed and composite civilization was a development and continuation of the later neolithic Black Pottery culture.

The Shang civilization was enriched by cultural influences which flowed through the Kansu corridor from the west. The main centre of early civilization was in the North China Plain, but the valleys of the Shensi-Shansi-Kansu plateau — the Loess Highlands — and particularly the valleys of the Wei Ho and the Fen Ho, were an important cradle of borderland organization, offshoots from the parent area in the plain. This borderland area was not only the corridor through which Western influences reached the the Shang, it was the home of the Chou dynasty 'which first conquered the Shang and then assimilated and developed its culture, and later the Ch'in, which consolidated the Chinese culture area into an organized Empire'.

The civilization which developed thus early in North China was never either destroyed or disrupted. Other civilizations have run their course, decayed and perished, or have been destroyed by invading barbarians. China has always absorbed her conquerors, and, unlike Rome, she was not destroyed but drew fresh vigour from the influx of invading barbarians. As Professor Roxby says, 'The capacity for assimilation and continuity which so pre-eminently distinguishes the whole course of Chinese civilization appears in the earliest times that we can decipher'.

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Knowledge of the gradual progress of the earliest stages of Chinese civilization is preserved only in legends which have handed down the names of the model rulers of the Golden Age and of the various Heroes who controlled the flood and taught the people agriculture, founded the institution of marriage, fixed the calendar and introduced writing and the art of divination. The Bronze Age began with the Shang, and when the Shang were conquered by the Chou there was formed the social structure within which Chinese civilization grew to maturity and developed the special characteristics which have distinguished it down to modern times. The main features of this culture were a belief in a Supreme God, the cult of ancestors, the practice of exogamy and the establishment of the patriarchal family as the basis of the social structure. The many external forces at work in the universe beyond the reach of human control or human understanding produced in the Chinese as in other races a belief in a whole host of lesser Gods, divinities and spirits, many of whom were the forces of nature or the tribal gods of other races. The universal belief in divination owed its origin to the same source. The priests who were skilled in interpreting the crackle markings that appeared on bones or tortoiseshell when subjected to heat were the forerunners of the literati who have played so great a part in Confucian China. They were the custodians of knowledge and keepers of the calendar. The oracles which they recorded in hieroglyphic characters scratched with a sharp instrument on bones were the first Chinese writing and the beginning of Chinese history and literature.

The Chou dynasty introduced a feudal system consisting of a graduated nobility all of whom belonged to the same clan as the king. These feudal nobles gradually became more powerful and during the last five hundred years of its existence — from about 750 B.C. onward — the Chou kings ruled in name only. The feudal states became independent military states until finally China was divided into a number of kingdoms which, like modern Europe, were engaged in almost constant warfare on each other. But unlike Europe, in this as in later periods of political strife, China maintained her social and cultural unity and was not disrupted by the wars of rival military leaders.

In the sixth century B.C. there began a great outburst of intellectual activity and the four centuries to the end of the feudal period 'saw the

maturity of the Chinese mind, the unfettered development of philosophy and the foundation of Chinese civilization for all ages to come'. The parallel developments in the art of writing were an important factor in the growth of intellectual activity. The earliest examples of Chinese writing are the oracle bone records of the Shang-Yin and early part of the Chow dynasties. These were the result of a long period of evolution; but eventually the need for a less laborious technique than scratching on bones gave rise to the method of drawing the characters on wood with a bamboo pen and lacquer ink. When this in turn gave way to writing with a brush on silk or paper (invented in China about 130 B.C.) the Chinese characters assumed their present beautiful shapes and calligraphy took rank on the same level as painting. The Chinese way of writing helped the Chinese to attain the high level of artistic achievement demonstrated to the world in the Chinese exhibition in London in 1934. It is also responsible for the many virtues of their mode of literary expression for it was necessary to adopt a terse and expressive style, to pack as much meaning as possible into a single character or ideogram and to express ideas in the fewest number of characters possible. The fact that the written language is the same for all China has probably been the strongest single influence in unifying the minds of the Chinese people.

The written language has also had a stabilizing effect upon the spoken tongue. The idiom employed is different, but the terse monosyllabic phrases of the written language have acted as a kind of steel framework which has prevented the spoken tongue from straying too far or breaking up into different languages. In the coastal fringe dialects differed very widely but this did not extend into the interior. As part of the effort which has been made in recent years to strike at the root of the pedantry which has done so much to atrophy the spirit of Chinese civilization, it was decided to adopt a style of literary expression corresponding more closely to the speech of the people. It is a remarkable fact that the Chinese Government were able to fix upon a dialect of the spoken tongue which is so near to the dialects spoken over four-fifths of China that it has without difficulty been adopted as the standard national language for the whole of China. It is as if in Europe we had one language and one literature from Oslo to Rome and from London to Constantinople.

Chinese traditions have so often survived the critical attacks of modern

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scholars that no apology need be offered for adopting for our present purposes the dates traditionally assigned to the great Chinese philosophers or for assuming that Laotzu was a real person, an elder contemporary of Confucius, and that he was the author of the philosophic ideas which have been attributed to him and which have found their way into the main stream of Chinese thinking. Those who prefer a more scientific and more scholarly treatment of the subject will find it in Arthur Waley's learned and most fascinating book *The Way and its Power*.

Laotzu, the earliest of the great Chinese philosophers, is said to have been born in 604 B.C. but there is considerable uncertainty as to the date of his death or whether he ever died at all. He gave to the world the remarkable conception of the *Tao* which has had a profound influence on Chinese thought. The *Tao* is a mystical doctrine the meaning of which it is difficult to explain in Chinese or in any other language. The word is therefore not easy to translate, but the usual rendering of it is the *Way* understood in a mystical sense. The *Tao* or *Way* is a natural process, an unfolding, a being so of itself. This conception is incompatible with the idea of a personal God or with design in the creation or ordering of the universe. It is by reason of *Tao* that nature unfolds without plan and without fail and it is also by reason of *Tao* that God is God and has divine attributes. Everything animate and inanimate, including God, has a *Tao* which is natural to it and to which it should conform. If everyone lived according to *Tao* there would be no strife, but any activity on the part of the Ruler, any attempt to impose control or management merely thwarted the natural operation of *Tao* and helped to spread disorder. There should be a complete return to nature, complete freedom, no laws and no Government. Though everyone has a *Tao* — a *Way* — that is natural to him, yet both nature and the social order are parts of the universal order so that in a mystic sense the *Tao* is one. To depart from the *Tao* means death, and knowledge of the *Way*, which by normal channels is inaccessible to human understanding, can be attained by meditation, by asceticism and by ecstatic contemplation.

Laotzu's philosophy of naturalism with its mystic doctrine of the *Way* made a strong appeal to many Chinese intellectuals who were attracted by the idea that spiritual enlightenment and access to the secrets of the universal order could be gained through mysticism. But ideas of this

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kind readily lent themselves to the distortions of quacks and charlatans and there grew up a debased kind of Taoism which took the form of spells and incantations, a search for the elixir of immortality, alchemy and the practice of magic. This easily linked up with the belief in spirits and divination and became very popular with the multitude. Taoism also satisfied the desire, strongly felt by all Chinese, to be brought into close relationship with nature. In the early centuries of our era Taoist temples were established all over China with a Priesthood whose ritual and ceremonies, which were very largely borrowed from Buddhism, together with the Buddhist faith itself, provided the moderate degree of religious satisfaction which seems to be all that the Chinese nature requires. By the irony of fate Laotzu, the naturalistic philosopher, was deified and worshipped as one of the great Trinity of Taoist Gods.

Confucius lived from 551 to 478 B.C. He was a statesman concerned with problems of administration and good government and in his cool and practical mind there was no room for such ideas as the acquisition of knowledge by ecstatic contemplation or a return to nature with a complete absence of conscious organization. If certain kinds of knowledge were inaccessible to the human understanding he was quite content to let it be so and to stand reverently aside. He laid no claim to have originated either a new religion or a new philosophy. He merely endeavoured to put into shape for transmission to future ages the virtues and excellences which had been inherited from the past. The immense influence that Confucius has exercised over the Chinese people for over two thousand years is due to the fact that he accepted the common stock of ideas and beliefs and moulded them into a coherent system of ethics and politics.

Laotzu and Confucius both draw upon the same stock and thus have many ideas in common. The notion of man's association with the Universal Order is deeply embedded in the Chinese mind and finds notable expression in their art. That was the great revelation made to the Western world in the exhibition held in London in 1934. The doctrine of the Tao shorn of its mystical elements forms an essential part of the Confucian teaching. The Chinese mind is greatly attracted by the idea of a Way which man should follow and of the transforming influence which it has upon those who find it. 'The way is near and men seek it afar', said



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Mencius, the greatest of Confucius's followers, 'the way is near and men seek it afar, duty lies in doing that which is easy and men seek for things that are difficult.' Confucius was neither a mystic nor a fanatic. His teaching is entirely free from dogma, from any desire to proselytize and from the spirit of persecution which is so distressing a feature of the religions and ideologies of other parts of the world. He adopted a broad, humane, civilized and tolerant attitude towards all mankind. So complete is the identification between him and his fellow countrymen that it is difficult to mention any special tenet that he held without immediately recognizing it as one of the characteristics of the Chinese people.

The foundations of the Confucian system are his attitude towards man and God. He believed that the nature of man was innately good and that by the force of example, exhortation and instruction it could be prevented from degenerating. No Government that had not failed in the performance of its primary function would find it necessary to coerce the people into right behaviour; and thus Confucius arrived, though by a different road, at the same conclusion as Laotzu that the best Government was one in which no Government was necessary. 'You should govern a great Kingdom as you cook a little fish; don't overdo it.' He believed that man's attitude towards the Supreme Being should be one of deep reverence manifested by keeping aloof and refraining from a display of undue familiarity. Confucius was not interested in or curious about such questions as the soul or the life hereafter or the nature of God. Speculations about such matters were a waste of time and incompatible with proper reverence. 'We do not know life, how can we know death? We have not learned how to serve man, how can we serve the Gods and spirits?' He accepted the host of lesser spirits and divinities in whom the Chinese from the earliest ages have believed because it did not occur to him to question whether they existed or not. By this conception of reverence religion was pushed well into the background of the Confucian system and the sanctions of the moral code bore no reference to man's relation to God.

Out of these foundations three points in the teaching of Confucius rise like mountain peaks: the emphasis which he lays upon the principle of leadership and the force of example, the enormous importance which he attaches to filial piety and his insistence upon correct behaviour.



Confucius lived in a time of political confusion when feudal lords seized power and fought like the warlords and Tuchuns of yesterday in China. He accordingly held up as a pattern for his and succeeding generations the Model Rulers of a Golden Age the traditions of which had been handed down from a distant past. It matters little to the influence and validity of his teaching whether the picture that he drew was historically accurate or not. He taught that a good ruler makes a good people. The Prince is the dish and the people the water; if the dish is round the water will be round, if the dish is square the water will be square. The Ruler and the officials generally should be chosen without reference to considerations of birth or rank but solely for their virtue and ability. All this was no mere academic flourish, for one of the practical results of these doctrines was the system first instituted in 136 B.C. of testing the qualifications of candidates for public office by means of an examination conducted by the State. Chinese society developed the strongly egalitarian trend which has always been its most notable characteristic. The only aristocracy was an aristocracy of learning and the people were considered to be of greater importance than the Ruler. The virtuous and able Prince ruled because he possessed the mandate of Heaven, but if he lost the mandate — and the state of the Empire could leave no room for doubt upon that point — then rebellion became a sacred duty. 'If the life of the people is impoverished of what use is the Ruler and what can the people do but get rid of him?' In the whole course of her long history there have been many rebellions in China, but only two revolutions, one in 221 B.C. and the second in A.D. 1911, and on both these occasions the nation after a brief interval returned to the fundamental principles of the Confucian system.

In a state where the Ruler possessed the mandate of Heaven and the officials were chosen for virtue and ability the innate goodness of man's nature would remain unspoiled, the reciprocal obligations of the five relations of man to each other would be observed, no man would do to another what he would not have that other do to him, and there would be no place for coercion, prohibitions or repressive laws. The Model Rulers of the Golden Age followed Wang Tao — the Kingly Way — which was the opposite to Pa Tao, the way of force. 'That which you have by force', said Cromwell three hundred years ago, 'I hold as nothing', and Confucius too believed that Pa Tao, expansion by force of arms, was

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both wrong and useless, for it was only by justice, magnanimity and the peaceful orderly development of civilized life that neighbouring people could be, not conquered, but absorbed. Wang Tao was government, not by force, but by *hwa*, the transforming influence of the character and example of a benign ruler. A writer in the *Economist* has pointed out that the answer to the fanaticism of the all embracing political state with its creed and its discipline imposed from above is a community unified by agreement — a way of life in which co-operation not regimentation imposed the social purpose of the community. These are the doctrines of Confucius expressed in modern political terminology. In their old world Chinese phraseology they may sound remote from the realities of to-day but they are in fact of universal application and hold good for all time and in all circumstances.

The ideal of the Princely Scholar has exerted an immeasurable influence for good in all succeeding ages. It has inspired generations of leaders, guided their actions and moulded their characters. The career and achievements of Ch'iang Kai Shek, the great leader whom the Chinese have found to inspire them in their resistance to the Pa Tao of Japan, prove that the transforming influence of the Way and the example of great leadership are as vital and operative to-day as at any time in the last three thousand years of China's history.

The institution of the family as the unit of society and the reverence paid to ancestors, the duty to care for one's parents and to beget sons in order to carry on the family cult were all fully established before the time of Confucius, but the emphasis that Confucius gave to filial piety is perhaps his most original contribution to the system of ethics that bears his name. Loyalty to the family is felt by many Chinese to be a barrier to the reconstruction of their country. In the temporary reaction against Confucianism which followed the Revolution of 1911, one of the most distinguished of modern Chinese philosophers, Dr. Hu Shih, who is now Chinese Ambassador at Washington, said that Confucius's teaching on the subject of filial piety amounted to a new creation. Without going quite that length it is clear that Confucius very greatly enhanced the importance attaching to this obligation and that some modification or reinterpretation of his doctrines on this point will be necessary.

Confucius, as we have seen, held that only by keeping aloof could

proper reverence be paid to God, and it was in keeping with this idea that he refused to look for a moral sanction in man's relation to God — which would have been undue familiarity — but found it in the obligation of filial piety. He developed the idea that a man's body — in its widest sense, including his intellect and moral nature — was a sacred inheritance from his parents, and he elevated the constant consideration of never disgracing the sacred inheritance into a moral sanction for all human action. His teaching on this point has been completely accepted by his countrymen so that failure in any duty, the lack of any virtue or the breach of any obligation is regarded as an offence against filial piety. 'This body is inherited from our parents. How dare we act irreverently with this inheritance of our parents? Therefore to live carelessly is a sin against filial duty, so is disloyalty to our Prince, so is dishonesty in official duty, so is faithlessness to our friends, and so is lack of courage on the battlefield. Failure in any of these duties will disgrace our parents. Dare we act without reverence?'

Every foreign writer on the subject of filial piety cites actions which we regard as reprehensible because they are harmful to the State but which the Chinese regard as excusable or even laudable because they are in accordance with filial piety. It is contrary to filial piety, for example, to refuse a well-paid post and it is in accordance with filial piety to find a Government job for an indigent and incompetent relative. It has been pointed out by one of our most brilliant philosophers who spent a few years in China that filial piety and the family system are universal at a certain stage of culture, but whereas with the early Greeks and Romans, for example, they were in due course discarded, the remarkable fact is that in China they have been retained after a very high level of civilization had been reached. I suggest, however, that the reason for their retention is the fact that the Chinese have not yet progressed from filial piety to patriotism, which in turn is due to certain accidents of history and geography, and has nothing to do with the level of civilization. A distinguished Chinese scientist, who was defending the Chinese against the charge of approving dishonest acts committed in the name of filial piety, pointed out that this was exactly similar to the Western practice of condoning deceit, robbery, murder and other crimes, if they were committed on the international plane, in order to forward the interests of

one's own country. Just as we in the West have not yet progressed from a national to an international standard in morality, so the Chinese have not advanced from the stage of loyalty to the family to the stage of loyalty to the State; and the reason why this further step has not yet been taken — or perhaps I should say is only now in process of being taken — is not related to any question of their being at a higher or a lower level of civilization, but arises from the fact that until the nineteenth century the incentives to patriotism did not exist. It was not until China came into contact with civilizations claiming equality with her own, and in fact her superior in physical power, that it became possible for Chinese to think of their country as a unit matched against other similar units and, therefore, to develop feelings of loyalty to something higher than the family. The Chinese have a saying which means that everything must run its course and pass through each stage in turn — *yu pi tei ching kuo chih shih*. It is just possible, however, that China may jump from filial piety to that higher international morality which we hope may result from the present struggle. If so, she may preserve the virtues of the family system, escape the evils which some philosophers profess to find in patriotism and, in general, make the best of both worlds.

The third of the mountain peaks is Confucius's insistence on the importance of ritual, ceremony and correct behaviour. He formulated a code of civilized behaviour — restraint, moderation and courtesy, a tranquil and reasonable attitude, strict control of the emotions and no violence or passion. The imperturbable quiet dignity of the Chinese of all classes, their genuine courtesy and exquisite manners have won the affection and admiration of all who have had the good fortune to dwell among them. Nevertheless, this part of the Confucian system has been much criticized for its insistence on mere externals and its preoccupation with trivial points of etiquette. There is no doubt that it has fostered one of the greatest weaknesses in the Chinese character — the importance which they attach to form rather than content, to appearance rather than to the reality underneath.

Confucius himself taught that there was a natural and harmonious correspondence between a man's inner feelings and the forms in which they found expression. If a man had the right feelings towards his fellow men they should be reflected in appropriate behaviour, but without the

basic truth of these inner feelings mere outer forms and ceremonies were wrong and despicable. This aspect of his teaching, however, was forgotten, neglected or misunderstood. There is, for example, the story of the disciple of Confucius who argued that one year of mourning for parents was enough and that the prescribed period of three years was too long. Confucius replied that the Chüntzu — the Superior Man — could not feel happy during the whole of the three years, but that if the disciple could be happy after one year, then he should certainly wear mourning for only one year. It is generally supposed that Confucius merely intended to snub the disciple who was obviously not a Superior Man, but the real interpretation surely is that the signs of mourning are merely the visible symbol of the sadness within, and that if there is no sadness the symbol has no value.

The Confucian doctrine known as the Rectification of Names was aimed at this weakness inherent in the Chinese character, for to insist that things should be called by their right names is another way of saying that appearance should correspond with reality. Many abstruse and learned explanations have been given of the doctrine but it is hardly necessary to go beyond the simple and obvious fact that in human institutions attaching false labels is a sure way of obscuring the truth, preventing efficient organization and causing corruption and decay.

In an earlier chapter I have referred to the time, forty-five years ago, when I first rode into the City of Peking and the vivid impression left on my mind by the first sight of the magnificent tower surmounting the great City Gate — that imposing tower with its rows upon rows of port-holes, each filled with the painted semblance of a cannon on a wooden shutter. It would be easy to multiply instances to show that the whole of Chinese life is permeated with the vicious notion that reality is of little account and that the only thing that matters is a fine and noble exterior. This sort of sham is not, of course, peculiar to China, for did not we ourselves build a naval base at Singapore and then economize by scrapping our battleships, and did we not pass an Act of Parliament for the Abolition of Imprisonment for Debt and then continue to send thousands of people to prison every year for no other crime? When the Manchu dynasty ascended the Dragon Throne in 1644 they established Tartar garrisons at certain key points throughout the empire and at each of them

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there was stationed a Tartar general who ranked higher than the viceroy or governor. Long before I went to China in 1898 these Tartar garrisons had lost all their soldierly qualities and had degenerated into a rabble of lazy, effete, dissolute rascals who lived on a small government dole, never handled a weapon and were not allowed to work at any honest trade. But they continued to be called garrisons. At Amoy, where I served as junior vice-consul forty years ago, and which had the distinction of being the last place in China to hold out against the Manchus, there was a Tartar general whom I remember very well as a pleasant and rather corrupt and decrepit old gentleman who had never done a day's soldiering in his life. The Manchus had become more Confucian than the Chinese themselves, even before they entered China, and if they had remembered Confucius's injunction to call things by their right names, the decay which had begun under the Sung dynasty four hundred years earlier might have been arrested in time before China was called upon to face the modern world.

In the twelfth and thirteenth centuries, in the time of the Sung dynasty, there arose a school of philosophers, the most famous of whom is Chu Hsi, who put a new interpretation on the classical Confucian texts, and there are grounds for believing that the influence of this neo-Confucianism, which dominated Chinese thought and practice for the next eight hundred years, had a disastrous effect upon the social and political life of the Chinese. Many of the Western students of Chinese political thought have been Christian missionaries and they have not unnaturally attributed all the evils of neo-Confucianism to the fact that Chu Hsi pushed religion even further into the background than Confucius, so that the great body of scholars, from whose ranks the men who occupied official positions were chosen, became in fact a race of literary sceptics. One of these scholar missionaries compares the effects of Chu Hsi's materialistic interpretation of the Classics to the devastation caused in the North China Plain by the different courses taken by the Yellow River which, wherever it has flowed, has caused ruin and has left behind it a barren waste of sand. 'Not unlike this', he says, 'has been the materialistic current introduced by commentators of the Sung dynasty into the stream of Chinese thought, a current which, having flowed unchecked for seven centuries, has left behind it a moral waste of atheistic sand, incapable of supporting the spiritual life of the people.'

There is truth in this charge, but Chu Hsi did more than thrust aside the personal God. He killed the spirit in the Confucian system and turned it into something incredibly arid, formal and sterile. This can best be illustrated by observing what happened in the case of the official examinations which, as we have seen, were first instituted in 136 B.C. In the fourteenth century this examination was finally stereotyped in the form known as the 'Eight Legged Essay'. A theme was selected from one of the Four Books or Five Classics and the candidate was required to write an essay in which the theme was treated in four paragraphs each consisting of two members made up of an equal number of sentences and words. In this essay he was not allowed to express any opinion of his own or any views at variance with those of Chu Hsi and his school. No change was made in this astonishing system until 1905 when the triennial examinations were finally abolished, and during all these centuries the vast reservoir of scholars, from whom the official classes were recruited, was filled with literary pedants of the most sterile kind, the springs of knowledge, art, progress and inspiration dried up and the whole system became ossified. It is significant, for example, that the novel and the drama were unable to play the part that they have played in the West, and are beginning to play in China to-day, because it was beneath the dignity of these pedants to write anything except essays and treatises in the approved classical style. A few imaginative works of fiction were produced and enjoyed enormous popularity, but the authors were so ashamed of their handiwork that their names have for the most part remained unknown.

Modern Chinese scholars are under no illusion as to the extent of the calamity. One of them brands the Eight Legged Essay as 'a form of evil which has eaten into the very heart of the nation', and declares that 'No system was more perfect or effective in retarding the intellectual and literary development of a nation'. He might have added the moral and political development as well. In May 1931, two and a half years after the triumph of the Kuomintang — the Chinese Nationalist Party — and the establishment of the present National Government of the Republic of China, and six months before Japan launched her campaign of aggression in Manchuria, there was held in Nanking a National People's Convention to adopt a Provisional Constitution for the new Republic. At the end of the Convention a Manifesto was issued in the following remarkable terms:

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The history of Chinese Civilization is more than four thousand years old. It reached its zenith in the Han and Tang dynasties and it suffered gradual decline during the Sung, Yuan and Ming dynasties. The collapse of the Chinese Civilization, already growing senile, was hastened by centuries of misrule. Its final debacle came at the end of the Ch'ing dynasty when it was compelled to face the impact of Western civilization, a civilization at once virile and aggressive, armed with science and backed up by tremendous industrial resources.

China proper is as large as Europe without Russia, its population is much larger and it is divided into many distinct geographical areas, but the minds of the people inhabiting this vast region had become so unified by the Confucian tradition that they never broke up, like the people of Europe, into separate states with separate languages and cultures, and separate social and political institutions. They were welded into a world civilization, and until the nineteenth century China was unaware of the existence of other civilizations beyond the physical barriers which divided her from the rest of the world. She was encircled by a ring of lesser tributary states and the whole of Manchuria, Turkestan and Outer and Inner Mongolia were included within the boundaries of the empire. The Manchu dynasty, which began ruling over China in the middle of the seventeenth century, threw up a succession of able and vigorous rulers. K'ang Hsi and Ch'ien Lung were great monarchs who each reigned for sixty years, but Ch'ien Lung, who abdicated in 1796, was followed by a succession of weak and incapable emperors, and it was just at this moment, when the virtue had departed from the dynasty, that the problems of the impact of the modern world became acute. Up to the end of the eighteenth century China was a very great and powerful country. The pressure then gradually became more severe until in the middle of the nineteenth century she was defeated in war and forced to enter into treaty relations with Western Powers. She thus became for the first time a unit in a world composed of similar but aggressive and more powerful units. She was thus faced with the urgent problem of modernizing her institutions in order to make them capable of translating into political and, if necessary, military action the desires of her people and the vast resources of her territory. This is the task which Japan in similar circumstances accom-



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plished with conspicuous success, but the Confucian ethic, after seven hundred years of Chu Hsi, no longer possessed the inner elasticity to respond to the new conditions and find new forms in which the old traditions could continue to live. The whole of the nineteenth century was a period of steady and continuous decline until at length, after she had reached the very depths of humiliation in a series of disasters culminating in the Boxer Rebellion and the occupation of Peking by foreign troops in 1900, the nationalist movement was born and the process of regeneration began.

## CHAPTER V

### CONFUCIANISM AND TREATY RIGHTS

IN the preceding chapter I have tried to give a brief account of the Confucian system of ideas so far as they are relevant to the political aspect of China's reaction to the modern world. These ideas had sunk very deeply into the Chinese mind and were reflected in the political institutions which Europeans in the eighteenth and nineteenth centuries found so puzzling. In the Confucian system of ethics and politics man was considered only in relation to his position in the social order. The Chinese believed that there was close correspondence and rhythmic interaction between the social order and the universal order, that the nature of man was innately good, and that it could be kept good and prevented from degenerating by the force of example and exhortation, and by the transforming influence of Wang Tao — the Kingly Way. The conception that men had rights and that the State should be so organized as to guarantee them, by appropriate laws, in the enjoyment of those rights against the encroachments of others — a conception which seems to occupy the greater part of the field in this branch of political thought in the West — found no place at all in the Confucian system of ideas. There the emphasis was laid solely on duties and on the natural harmony of the social order. In the social order there were five human relationships — Prince and Minister, husband and wife, parent and child, brother and brother, friend and friend. Men were naturally inclined to perform the reciprocal obligations of these five relationships and the idea that the State should apply coercion to compel their performance could only arise if there had been failure to preserve the natural spirit of harmony by means of exhortation and example. A strong incentive to the performance of these reciprocal obligations was provided by relating all duties to the family system, for the family was the unit and foundation of society, its value was self-evident to all and no Chinese would need to be persuaded that the cult of the family was a sacred obligation which it would be disastrous to neglect.

Out of this system of ideas emerged the Chinese conception of the

nature of law and their principle of the devolution of responsibility. Sir Alfred Zimmern tells us that law, as conceived by the Greeks of the time of Aristotle or Plato, 'was not a command imposed from outside by some superior power. It was the formulation of the will of the community, or better still, an external manifestation of its continuing life'. There is nothing fundamentally incompatible between this conception and the view that law is a practical social instrument to give effect to the wishes, or to meet the needs, of the community; but where, as commonly happened in Europe, the community was composed of classes between whom there were wide differences of interest or who believed in incompatible philosophies of Government, then the law expressed the will of a dominant group or groups. It satisfied the desires and met the needs of those in control who naturally identified their own interest with the interest of the community. The theories that there was an ascertainable law of nature and that law was an emanation from God were devices adopted, perhaps unconsciously, to secure more easily the ready obedience of the community at large to the laws imposed by the minority in control. The smaller this minority the greater the probability that the law would not in fact meet the needs of the community, and the greater the difficulty of either enforcing it or adapting it so as to render resort to violence unnecessary. The more widely control in a community is distributed the more likely is law to correspond to the desires of the community and the less likely will force be necessary to secure acquiescence. 'Control', says Professor Norman Mackenzie, in a recent address to the American Society of International Law, 'is exercised by a group or groups in their own interests who impose their will upon, or win the acquiescence of, the others in the community . . . The greater the homogeneity of the community the smaller the control and force necessary, so that it is conceivable that in the ideal community, Utopia, we may achieve a true democracy where the control exercised is exercised in the interests of everyone equally, and because of this, the force necessary to ensure compliance with the regulations and laws laid down, would be the minimum necessary to deal with the careless, the selfish and the anti-social.'

The Chinese contemporaries of Plato and Aristotle would have approved the conception of law as a formulation of the will of the community, an external manifestation of its continuing life; but China never

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diverged down the path followed by Europe because the Chinese had learned to regard as definitely evil the idea of a dominant group imposing its will upon the community at large and relying on force to maintain its position. All Chinese philosophy, says Mr. Arthur Waley, is essentially the study of how men can best be helped to live together in harmony and good order. The Confucian system sought to create a completely homogeneous community by the unification of men's minds, a community in which there would be general and spontaneous agreement as regards the objects considered worthy of desire and in which the careless, the selfish and the anti-social would be subdued by the transforming influence of example and exhortation.

A Chinese law was not intended to coerce men into good behaviour but to exercise a transforming influence. It was not a set of commands to be obeyed implicitly and in detail; it was an exhortation which aimed at setting up an ideal standard of conduct which men should strive to attain, but if they fell short of perfection and failed to reach this ideal standard it did not mean that the sanctions of the law would be rigidly and inexorably applied. The magistrate — whose familiar name was the Fu Mu Kuan, the Father and Mother Official — would issue further edicts drawing attention to the failure with threats that the prescribed penalties would surely be inflicted next time — further exhortations in fact — but the sanctions of the law would not in practice be applied unless the failure was such as to endanger the social structure or the stability of the State. The rigidity and absence of give and take, the lack of sympathy and of a broad and humane tolerance of human weaknesses which Chinese find in Western legal systems is very abhorrent to their spirit. The Chinese also find it shocking that a law should actually admit that men may do evil and should prescribe the conditions under which they may do so with impunity. In the nineteenth century the Chinese were quite incapable of preventing the smuggling and smoking of opium and the corrupting effect on all concerned of an illicit traffic openly carried on with the connivance of the officials was very great. They were at length persuaded by the representatives of Great Britain and America to legalize the trade, place it under regulation and derive from opium a substantial revenue for the State, but this abandonment of the principles that lay at the very root of their traditional code of ethics must be accounted a greater

humiliation than any of the defeats which China had suffered in war or diplomacy. Mr. Reed, the American Minister, was sent to China with express instructions that he was to support the Chinese policy of prohibition and reaffirm the provisions of the earlier treaties declaring opium to be contraband. Acting contrary to these instructions he wrote to Lord Elgin, the British Plenipotentiary, urging that the trade should be legalized and that 'we, the representatives of Western and Christian nations', should make some 'attempt to induce or compel an adjustment of the pernicious difficulty'. As Mr. Morse, the American historian, observes, 'Mr. Reed must be included among those who have betrayed great causes'.

A recent and well-known example of the Chinese attitude towards law is to be found in the history of the Factory Law which after many years of trial and error was at length promulgated in 1929. The growth of industrialization made it desirable that factories should be placed under regulation, especially in regard to such matters as prevention of accidents, hours of labour, health of the workers, child labour, etc. How China would have dealt with this problem had she been an entirely free agent it is difficult to say, but the problem was complicated for her by the existence of factories owned by foreigners enjoying extraterritorial privileges. These factories, moreover, were mostly situated in the International Settlement at Shanghai, where police and administrative control was exercised by a municipal council composed of foreigners. It was essential that any factory law adopted should be enforceable on Chinese and foreign factories alike, and in order to effect this it was necessary that each of the countries enjoying extraterritorial privileges should adopt the law and enforce it in its own courts against its own nationals. When the Law was finally promulgated it was found that it was composed of all the most idealistic provisions selected out of the most advanced laws of the most progressive and highly developed industrial countries. In spite of the practical nature of the problem and its extreme urgency the Chinese could not bring themselves to act otherwise than upon the principle that the law must proclaim an ideal standard of conduct at which all factory owners should aim. The Chinese authorities had no intention of applying the penal provisions of the law to those who did not attain this ideal standard, but according to Chinese ideas grave moral harm would result

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if the law were such as to induce in men's minds the belief that in a matter where human relationships were so greatly concerned, anything less than the highest standards could be regarded as satisfactory.

Under a system which did not rely on the method of coercion a heavy responsibility rested upon the hierarchy of officials whose duty it was to maintain the moral tone of society by example, exhortation and instruction. Every official, from the village headman up to the Emperor himself, was held responsible to the one above him for the good state of his village, district or province as the case might be. If things went wrong, though according to our ideas he might not have been in the least to blame, the official suffered because there must have been some dereliction of duty on his part, some failure in instruction or exhortation. The Emperor himself, as many examples in Chinese history bear witness, if the state of the empire showed that he had lost the mandate of Heaven, might be driven from his throne by the people whose sacred duty it was in such circumstances to rebel. At the base of the Chinese pyramid were the million village republics all conforming to the same pattern by virtue of a community of ideas, habits, language, literature and traditions, bound together in a social structure that defies disruption — but there was no highly integrated political system and there was no central Government.

In the wars and negotiations of the Period of Conflict — 1834 to 1860 — the foreign Powers were much embarrassed because they could find no central Government with whom they could either fight or negotiate. The nearest approach to a Foreign Office that China possessed was a Board for the Administration of the Vassal States. It sometimes happened that British and French armies were fighting against Chinese armies in one part of China while in another part of China their armed forces were helping the Chinese authorities to put down a rebellion that threatened to overthrow the dynasty. The foreign Powers were seeking for a central authority whom they could compel to take engagements in the name of the whole empire, but it was difficult to get beyond the viceroy of some province, and both wars and negotiations were localized. When eventually the British and French forced their way to Peking the Government which they found there was not a central Government in any Western acceptance of the term.

'The Central Government of China', says a well-known authority writing in the year 1878, 'so far as a system of this nature is recognized in the existing institutions, is arranged with the object rather of registering and checking the action of the various provincial administrations than with that of assuming a direct initiative in the conduct of affairs . . . Regulations indeed of the most comprehensive character are on record for the guidance of every conceivable act of administering; and the principal function of the Central Government consists in watching over the execution of this system of rules. The bestowal of the higher appointments of the civil and military service and the distribution of the superior literary degrees as rewards for proficiency in the studies upon which the whole polity of the empire is based comprised the remainder of the attributes reserved to the Government established at Peking. The Central Government may be said to criticize rather than to control the action of the twenty-one provincial administrations, wielding, however, at all times the power of immediate removal from his post of any official whose conduct may be found irregular or considered dangerous to the stability of the State.'

Having found what they believed to be a Central Government in Peking the Western Powers henceforth expected it to 'assume a direct initiative in the conduct of affairs' with a view to securing due observance in every part of the empire of the stipulations of the Treaties of 1842 to 1860. It was, of course, difficult to realize that such a measure of interference, control and initiative was entirely alien to the character of the Chinese people and the spirit of their institutions. The Treaty Port system, as it is called, had its merits as well as its wrongs and anomalies, but its character and the reasons for its many peculiar arrangements cannot be understood without some appreciation of the three points which I have endeavoured to expound in this and the preceding chapter, namely the Chinese conception of law, their principle of devolution of responsibility and the absence of any effective Central Government.

The treaties stipulated that British subjects should be allowed to reside and trade at certain specified places, styled Treaty Ports, that they should not be subject to Chinese jurisdiction but should enjoy the privilege of being tried or sued only in their own national (Consular) courts according to their own law (the privilege, that is to say, of extraterritoriality), and

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every endeavour was made to shield them in their commercial transactions as far as possible from every kind of monopoly, restriction or arbitrary exaction. Two of the most characteristic features of the Treaty Port system, the Maritime Customs Administration and Settlements and Concessions, were not created by the treaties but developed naturally out of the direct relationship between Chinese officials and foreigners created by the treaties. Already in the pre-Treaty days the Chinese authorities had applied their principle of devolution of responsibility to the British community at Canton where the authority exercised by the supercargoes over their nationals residing in the factories resembled a kind of quasi-extraterritoriality exercised in an embryonic concession. Accordingly, when the treaties stipulated that foreign communities should henceforth live in treaty ports it was spontaneously assumed on both sides that they would continue to manage their own affairs in their own way and provide themselves with the material amenities of Western civilization which the Chinese had not yet begun to desire for themselves; and at some of the treaty ports the arrangements were embodied in formal local agreements and regulations and a Settlement or Concession thus came into existence. The most remarkable of these was the International Settlement at Shanghai.

Some account has been given in Chapter II of the difficulties that arose in the early days at Canton out of the application of Chinese criminal law to British subjects. One of the results, however, of the Chinese conception of law was that no similar difficulties arose in connection with civil jurisdiction. If in a particular district the magistrate was successful in maintaining the moral tone and preserving the harmony of society there would be no crimes and consequently no criminal jurisdiction to exercise, there would be no lawsuits and consequently no civil jurisdiction to exercise. This ideal, of course, was never actually attained so that in practice criminals were brought before the magistrate and punished and civil suits were brought to the yamen for adjudication; but in both cases this was felt to be a falling short of the standard at which men should aim. Civil disputes should be settled by agreement and compromise, by the mediation of neighbours or the arbitration of guilds and chambers of commerce: there was clearly something wrong if all these failed and the parties brought their quarrels to the yamen. It has often been observed



that a Chinese magistrate treats the parties to a civil suit as if their conduct in appearing before him required explanation: both sides are put upon their defence and both plaintiff and defendant may well find themselves in gaol before the proceedings are terminated. This in fact has been advanced as one of the reasons why British subjects could not be subjected to Chinese jurisdiction, but the Chinese system was certainly not 'barbarous', nor were its results in practice harmful. The British have the same broad tolerant outlook as the Chinese, the same sense of fairness and inclination to compromise, and like the Chinese they believe that the only satisfactory commercial transaction is one in which the other party goes away contented because he has made a fair share of the profit. Both before and after extraterritoriality became a treaty right the British have always fallen in very happily with the Chinese idea that civil suits should be settled by friendly arbitration out of court. No British merchant needed the tremendous shield of extraterritoriality to protect him against the civil and criminal jurisdiction exercised by Chinese magistrates: what he really feared was arbitrary and irregular exactions levied upon his trade.

No treaty stipulation specifically exempted any foreign national in China from liability to pay Chinese taxation, but by the operation of extraterritoriality a Chinese law or regulation was not binding upon a British subject, and could not be enforced against him in a British court, unless it had been formally adopted and become part of British law by being incorporated in a British regulation; and if seventeen different countries possessed extraterritorial privileges, then a Chinese regulation imposing some tax — or indeed any other Chinese regulation — could only be made effectively binding on foreign nationals in general after this process of adoption and incorporation had been repeated seventeen times. In the case of goods, however, imported or exported by foreign merchants, the principle of extraterritoriality did not operate to prevent the Chinese authorities levying what taxes they chose when the goods were in the possession of Chinese subjects or were passing through Chinese customs stations.

The Chinese officials lacked the support of a central authority controlling an administrative machine and enforcing a uniform system of taxation — nothing of the kind existed in their institutions — and they

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were utterly inexperienced in international affairs. In a casual and haphazard way they agreed — without realizing that it was an encroachment on China's sovereign rights — that the customs tariff should be fixed at 5 per cent and should not be altered without the consent of every one of the Treaty Powers; and because this was the Period of Submission, they even agreed that the taxes levied in the interior on goods in which foreigners were supposed to have an interest — the famous *likin* or transit dues — should be restricted to  $2\frac{1}{2}$  per cent. In the pre-Treaty days at Canton the foreign merchant bought and sold goods through the 'security merchant' assigned to him and was never brought into direct relations with the customs authorities. The security merchant fixed prices at a figure which enabled him to settle all dues, regular and irregular, legal and illegal, and the foreign merchants had no means of knowing what taxes were levied on their trade; they only knew that they were 'in the grip of a close monopoly and that the monopolists exacted from them vast sums which they in turn were required to share with the Government officials, collectors of the revenue and administrators of the law'. Considerably less than one-tenth of the amount exacted ever found its way into the Imperial Treasury at Peking, but it was an ingenious system, well suited to the Chinese character and to the amorphous nature of their Government. In happier times it might have been adapted to the exigencies of the modern industrial state, but the same cause that had brought about the clash with Western Powers — the general decay of Chinese institutions from within — prevented any healthy evolution on these lines. The treaties brought the foreign merchant for the first time into direct relations with the Chinese customs authorities at each of the treaty ports and they prescribed in minute detail exactly how the merchant and his ship were to be treated and what dues and duties were to be paid and who was to receive them. British statesmen thus compelled China to reform her system of taxing foreign trade not only at the port of entry but on all inland trade routes throughout her vast territory. That, of course, was only one of the many anomalies in Western intercourse with China in the nineteenth century, but this anomaly seems all the greater when one considers the customs tariff in force in contemporary England. The Treaty of Nanking was signed in 1842, the Treaty of the Bogue in 1843 and the Treaty of Tientsin in 1858. In 1841 when Peel became Prime Minister

the chaos that he found in the nation's finance, commerce and currency must have been at least as great as that which prevailed in China. Customs duties were levied on over one thousand articles, nine of which yielded six-sevenths of the revenue. The duties on 531 articles yielded £80,000 a year, while owing to the system of drawbacks there was an actual loss on 147 articles. All this was swept away by Peel and by his still greater successor and pupil Gladstone; but when England imposed by treaty a uniform 5 per cent tariff on China it seems as if the mighty impulse that gave to the world the liberal free trade England of the nineteenth century found its first field of action in the Far East.

It was fortunate that China assented so lightly to the loss of her tariff autonomy for if, in the conditions of the nineteenth century, the utterly inexperienced provincial officials — many of whom at that time were also corrupt and inefficient — had been free to impose such taxes as they chose on foreign imports and exports the kind of collision that had led to the first Anglo-Chinese war would have been a matter of constant and widespread occurrence — and China would have been the chief sufferer. The time had not yet arrived — it did not arrive for nearly another hundred years — when a centralized administration could use a scientific tariff as an instrument in planning the economy of the nation. Even in 1929, when China at length acquired freedom to settle her customs tariff as she chose, her military and political power was still inadequate to afford her protection against the hostility and aggression of Japan to which the exercise of this freedom exposed her. In the nineteenth century China was incapable of organizing an efficient preventive service; the fixed 5 per cent tariff provided little incentive to smuggle and saved her from many dangers and embarrassments; and it was not until the rise of the nationalist movement in the twentieth century that it began to be felt as even a sentimental grievance. These considerations, however, did not apply to taxation in the interior and the attempts made to prescribe by treaty the system to be adopted in levying taxes on goods moving along the trade routes all over the interior of the country and to limit the amount that could be levied must be accounted unwise and harmful in the extreme. The goods were supposed to be foreign owned, but they were always in Chinese hands and the foreign ownership was merely a legal fiction covering the fact that some foreigner had, for value received, lent the

cover of his name and the protection of his consul to the real Chinese owner of the goods in question. It was not merely a case of men of straw earning a precarious livelihood by these dubious methods. It was a well recognized practice, for example, for foreign shipping companies to take out 'transit passes' in their own name and hand them to Chinese merchants on condition that the native produce, when brought down from the interior to the treaty port, should be shipped abroad in their steamers. This created a 'foreign interest' sufficient to support a claim for compensation if, as sometimes happened, the goods were confiscated for some alleged irregularity by the Chinese authorities in the interior. In many other ways the protection of extraterritoriality was extended to Chinese subjects who should have been under the sole jurisdiction of their own authorities. Chinese who are born abroad remain Chinese subjects in the eye of the Chinese law, and, in accordance with the ordinary rule of international law, if they have dual nationality, their master nationality when in China is Chinese. For many years Great Britain refused to recognize the ordinary rule of international law with the result that such Chinese, though they were indistinguishable from the native inhabitants, received protection against the Chinese authorities as if they were British subjects of British race. In a country where extraterritoriality imposed such heavy responsibilities on the native authorities there was greater, not less, reason for strictly observing the ordinary rule of international law.

A more serious evil than either dual nationality or transit passes was the abuse of the British flag in Chinese waters. The second Anglo-Chinese war of 1856-58 was a much more unjustifiable war than the first war of 1839-42, but because the circumstances lack the emotional appeal of opium it has largely escaped the censures of the moralists. The immediate cause of the war was the action of the Chinese police at Canton in boarding a vessel flying the British flag and removing the Chinese crew who were charged with being pirates. Lord Clarendon, defending the actions of the subordinates in China who had begun hostilities in order to force the Chinese authorities to make a formal apology, explained that a great principle was at stake. Those on the spot in China felt 'that whatever they possess in China, whatever they hope for as regards trade, the safety of their lives and property, the progress of their trade, all depend upon the maintenance of their treaty rights, upon the respect paid to the British

flag, and upon the protection which it affords'. The immunity of the British ship was indeed one of the corner stones of the whole British position under the Treaty Port system and, apart from considerations of sentiment or of honour, ordinary prudence might have suggested that every care should be taken to prevent this privilege being abused by Chinese seeking to gain immunity from the jurisdiction of their own authorities. That unfortunately is not the way in which the minds of 'those on the spot' work. Any Chinese resident in Hongkong, if he was a lessee of Crown land, could obtain the grant of a Colonial Register and hoist the British flag on any ship he owned. The Imperial High Commissioner Yeh justified his action in arresting alleged Chinese pirates on board the *Lorcha Arrow* on the ground that the vessel in question had been built by a certain Soo A-ching who had bought for her from a foreign firm a register for which he had paid 1000 dollars, and it is difficult to find any answer to his argument that 'when Chinese subjects build for themselves vessels, foreigners should not sell registers to them, for if this is done it will occasion confusion between native and foreign ships, and render it difficult to distinguish'.

Commissioner Yeh's warning fell on deaf ears and sixty years later there were still many scores of Chinese-owned steam vessels plying in the rivers and coastal waters of China, indulging in every species of malpractice, flying a foreign flag when immunity from Chinese jurisdiction and the protection of foreign gunboats was desired, but not hesitating to haul it down and exchange it for Chinese colours when a profitable deal was rendered possible by so doing. Commissioner Yeh suffered severely for his temerity, but in the twentieth century, when time had brought increase of wisdom and experience to both sides, and the Chinese official world had begun to recover courage, a distinction was drawn between British and pseudo-British vessels and protection was refused to the latter even though for some technical reason they might have the right to fly the British flag. The British Government would have been well advised if they had admitted the justice of Commissioner Yeh's contention in 1856 and abstained from claiming the extraterritorial privileges of the treaties on behalf of persons they were never intended to cover: for once it was admitted that a pseudo-British ship flying the British flag could be abandoned to Chinese jurisdiction a great inroad had been made in the

principle of the 'respect paid to the British flag and the protection which it affords', which was Lord Clarendon's chief justification for going to war with China in 1856.

While it is right that attention should be drawn to the wrong done by strained or twisted interpretations of treaty clauses it is necessary to guard against the exaggeration of supposing that these abuses were more than very small blots upon a system that on the whole worked tolerably well. The grievances of the Chinese were genuine enough but the real cause of their difficulties was the ignorance, weakness and timidity which continued to paralyse the official world of China until well on into the twentieth century. Had they been able to pull themselves together earlier, adapt their institutions to the needs of the new environment and restore some semblance of order and probity into their local administration, very little would have been heard of the abuse of treaty privileges. When Chinese merchants, for example, were allowed to enjoy the same privileges as foreigners in regard to such matters as taxation of goods in transit in the interior, most of the incentive to trading under foreign names was removed, but it was only at a very late period that this simple and obvious expedient was adopted. If Great Britain had set the example of rigidly restricting treaty privileges to bona fide British subjects — the only persons whom the Chinese had in view when the treaties were negotiated — much bitterness would have been avoided and the term 'unequal treaties' might never have been coined. It was only natural that British merchants should be eager to open up the whole of China to foreign trade and enterprise and, once the door had been opened, it is easy to understand their impatience when the Chinese obstinately refused to allow them to set foot beyond the threshold. Nevertheless, the illegitimate extension of treaty privileges to persons of Chinese race defeated its own object, for the phenomenon of considerable numbers of Chinese subjects — whether traders or Christian converts — claiming immunity from Chinese jurisdiction had a disintegrating effect on the structure of Chinese life which naturally caused the officials to take alarm and, by an instinct of self-preservation, to resist to the utmost the further opening up of China which the British merchants so ardently desired.

Internal decay of her institutions reflected in the weakness, corruption and timidity of her officials continued to be the chief characteristic of

China throughout the nineteenth century. It was fortunate that during this period the predominance of Great Britain in commerce, finance, industry and shipping was so great that the other Powers were content to let her play the leading role and follow in her footsteps. Had any other European power occupied this position China would undoubtedly have had to face aggression at a much earlier period. Great Britain was guilty of certain minor errors and her second war with China should certainly have been avoided, but in spite of this, trade and not aggression remained the constant object of her policy and she genuinely strove to assist China to maintain her independence and integrity, reform her administration and develop her resources. The great service that Great Britain was able to render to China at this period, and which really saved the situation for China so far as the Treaty Port system was concerned, was the organization of the Chinese Maritime Customs Administration. The treaties were framed upon the Western model. They were, therefore, based upon the assumption that China had a central government, and that as in Western countries there was a central administration controlling and directing the subordinate administrations collecting customs duties at the ports open to foreign trade. The treaties therefore prescribed in meticulous detail the exact procedure to be followed by the Chinese customs officials in levying duties upon the goods imported and exported by foreign merchants. By the time the Treaty Port system had been established, however, the British merchant had developed a mentality that made him a difficult person to deal with. He had long suffered irritating restraints and humiliations at the hands of the Chinese authorities and he had seen these officials receive severe punishment for the insults they had heaped upon his head. The opium smuggling trade bred in all concerned a contempt for law and constituted authority and most merchants interpreted the treaties as exempting them from every species of Chinese control. As Mr. Morse observes, the British merchants had formed a high opinion of the inviolability of their persons and their property. The British authorities had a shrewd suspicion that when for the first time the British merchant was brought into direct relations with Chinese customs officers the latter would find it difficult to make the British merchants conform to any Chinese regulations, however reasonable, or pay any Chinese duties, however moderate. The British treaty, therefore, contained the curious proviso

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that it was the duty of the British consul to see that the British merchant paid the proper customs duties on the goods they imported or exported. This clause, which was not copied in the treaties of other Western Powers, was soon found to be unworkable in practice, and for a time there seemed to be considerable danger that the legitimate foreign trade of China might fall into disorder, either paying no duties at all or becoming the subject of corrupt bargains between weak and venal Chinese officials on the one hand and lawless foreign adventurers on the other. The effects of any such development on China's foreign relations could not have failed to be disastrous, but fortunately, before it was too late, Sir Rutherford Alcock, who at a very critical period was British Consul-General at Shanghai, was able to suggest, and persuade the Chinese authorities to adopt, the right solution.

Shanghai was opened by the Treaty of Nanking to foreign trade and residence in 1843. It had always been a great trading centre by virtue of its wonderful geographical position, and it quickly sprang into the first place in the foreign trade of China. In 1854 Shanghai had fallen into the hands of rebels — an offshoot of the great Taiping rebellion which over a long period of years caused widespread devastation over more than half China. The Imperial authorities had great difficulty in maintaining their position and Sir Rutherford Alcock therefore suggested to the Taotai, the chief local territorial official, that he should employ competent and reliable foreigners to organize and staff the Customs Administration on his behalf. The plan was tried and proved an immediate success. The Chinese authorities were so gratified with its results that the new system was rapidly extended to the other ports opened to foreign trade as well as those opened four years later under the Treaty of Tientsin.

The Maritime Customs Administration of China will always be identified with the name of Sir Robert Hart, the great Irishman who became Acting-Inspector-General in 1861 and Inspector-General in 1863. He was still at his post when I arrived in Peking in 1898, and he retired ten years later in 1908, full of years and honours. To build up a great Chinese administration functioning in every part of the Empire and staffed by foreigners of a score of different nationalities all imbued with a corporate sense of loyalty to the service to which they belonged and to the Chinese Government whom they served was a feat demanding gifts of



imagination and leadership of no mean order. The great success of Sir Robert Hart's administration was due in the main to his firm grasp of two or three essential principles. He never forgot that he was the servant of the Chinese Government and not their master. He placed his knowledge and experience unreservedly at their disposal, but he never attempted to exercise any kind of tutelage and in all his dealings with them he was guided by a knowledge of Chinese psychology that amounted to genius. Under Sir Robert Hart the foreign side of the Customs Administration never actually collected or controlled a dollar of the customs revenue. The head of the customs administration at each treaty port was a Chinese official, usually the Taotai or other high territorial official, who was concurrently Superintendent of Customs. The foreign Commissioner of Customs was his subordinate whose duty it was to control the customs house with its large administrative and preventive staff of Chinese and foreigners. When a foreign or Chinese merchant wished to import or export cargo the goods were examined by the staff at the customs house and a document was issued stating the amount of duty payable. The merchant took this document to a Chinese bank under the control of the Chinese Superintendent of Customs, paid the amount of duty specified and received a 'duty paid memo.', presentation of which at the customs house secured release of the cargo. What happened to the money after it had been paid into the Chinese bank was a matter solely for the Chinese Government to decide. It was the duty of the foreign Commissioner of Customs and the staff under his control merely to assess, record and report to the Central Government at Peking the amount of the customs revenue collected at each treaty port.

Under this system the Customs Administration could always rely on the support of the local territorial officials, and if any political difficulties arose between the local government and Peking the foreign commissioner and his administration were not involved in any way. Though regulations framed by the Customs Administration were no more binding on foreign merchants, enjoying extraterritorial privileges, than ordinary Chinese regulations, there was in fact very little disposition, after the first year or two, to dispute the authority of the Customs Administration. Moreover, chance had placed in the hands of the administration a valuable weapon to be kept in reserve for use in emergency. The treaties had been made

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before sails had been displaced by steam and the procedure contemplated was that applicable to the leisurely methods of the sailing ship, which might spend several weeks or even months in harbour. The treaties therefore stipulated that the vessel should only be allowed to depart after all the duties on the cargo imported by her had been paid, and as steamers might incur heavy losses by delays of even a few hours the existence of this provision gave the customs authorities in practice all the authority that they required.

By thus acting as a buffer between the foreign trader and the Chinese officials the Customs Administration performed a service of great value to both sides. It oiled the wheels of friendly intercourse and saved China from the chaos that would have resulted from a breakdown of the Treaty Port system. The follies that undid a great deal of Sir Robert Hart's work after he had departed from the scene are a mournful story that must be reserved for a later chapter.

## CHAPTER VI

### CHINA, RUSSIA AND JAPAN

A PERIOD of just over a century separates the date of Lord Macartney's mission to Ch'ien Lung in 1793 from the outbreak of the Sino-Japanese war in 1894 — a century during which China declined miserably from greatness to the depths of humiliation. In 1793 Ch'ien Lung informed King George III that the earnest terms in which his memorial was couched revealed a respectful humility on his part which was highly praiseworthy. In 1894 Mr. H. B. Morse, the most sympathetic of all China's historians, records that China continued to bury her head in the sand and pretend that she governed the world. The first shock of the impact of the West was the first war with England of 1839-42, nearly half a century after the date of Lord Macartney's mission. After the first shock there was a respite of several decades for, though France was making her first stealthy advances upon the back door to China through the south-western provinces, and Russia was pushing forward towards the Amur River and Korea, the danger from Europe was not yet serious. England occupied a position of great predominance; she had no rivals, and though particular actions are open to criticism her sole desire was to assist China to become both politically powerful and economically prosperous. Those were the years when England felt very sure of her ability to defeat all rivals provided only the conditions were such as to permit of fair and open competition. The kind of imperialism that seeks to annex territory or impose political domination was not much in evidence during the first seven or eight decades of the nineteenth century, and so far from desiring to add to their imperial burden the English generally looked forward to the day when they might honourably divest themselves of these responsibilities. The year 1870 marked the turning of the tide. The unification of Italy, the Franco-Prussian war and the proclamation of the German Empire, the construction of the Suez Canal, rapid advances in scientific, economic and industrial technique all combined to propagate

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ideas of the power, prestige and prosperity that would accrue from the organization of large-scale social and political units. Before many years had passed the nations of Europe were engaged in a fierce struggle to capture existing markets or to take possession of the vacant places of the earth as the only means of assuring adequate scope for the enormously enhanced productive capacity that the industry of each country had developed. The rivalries of the Powers arising out of the scramble for the yet unappropriated portions of Africa, the fierce passions engendered by the problems of Egypt and the control of the Upper Nile, and the desperate conditions prevailing in the vast regions ruled by Abdul Hamid, which it was feared might at any moment lead to the break up of the Turkish Empire, formed during the latter part of the nineteenth century a lurid and constantly changing background to the three fixed points in the European political scene, France's hostility to Germany over the annexation of Alsace-Lorraine, her equally intense hostility to England over the occupation of Egypt and Russia's resentment at finding her path for ever blocked by England.

The movement that began in 1870 — a combination of economic, industrial and imperialistic rivalry accompanied by ever changing groupings of different powers and constant skirmishing for position — rapidly increased in intensity until it reached its peak in 1890, at which level it remained until the final catastrophe in 1914. The year 1890 is in many ways a memorable year and it was in that year that the Far East began to get drawn into the maelstrom of European politics. The real impact of the West came not at the end of the eighteenth century, or in the Anglo-Chinese wars of the mid-nineteenth century, but when Russia decided to build the Trans-Siberian Railway, and though English historians in general hardly appear to be aware of the fact, from 1890 to the Russo-Japanese war in 1905 China was the chief factor in world politics.

From 1870 to 1890 Bismarck dominated the European scene. The sole object of his policy was to make Germany secure by keeping France isolated, but this, as Mr. Spender remarks, became in the Bismarckian system a highly complicated matter. 'Germany had to be secured against the single or combined attack of France and Russia; and France had to be isolated by keeping both Russia and Austria within the German circle. Since Austria and Russia had all the time different and conflicting aims,

the winning of Russia without alienating Austria, and of Austria without offending Russia presented serious difficulties which could scarcely be surmounted without the betrayal of one or the other. Bismarck's solution was to induce Austria to make concessions to Russia while consoling her with a specially confidential relationship which she construed as a pledge of support against Russia if she really needed it. The result was that from the year 1882 onwards the League of the three Emperors, the Dual-Alliance between Austria and Germany, the Triple-Alliance and its flanking support, the Serbian and Roumanian Treaties, were running side by side, creating between them a network of secret, conflicting and almost unintelligible obligations of which no one could see the value or even the interpretation if they became operative.'

In 1890 the Kaiser dismissed Bismarck and refused to renew the reinsurance treaty with Russia; in May 1891 the Triple-Alliance between Germany, Austria and Italy was renewed, and was cordially welcomed by England, who made it clear that her sympathies were on the side of Powers who desired to maintain peace and the *status quo*; in July 1891 the French fleet paid a visit to Cronstadt and this was the beginning of an entente between France and Russia which later ripened into a formal alliance. The inference usually drawn from this sequence of events is that the Kaiser's bungling and the 'ill fated flirt anglo-triplicien' had thrown Russia into the arms of France, but this view does not take sufficiently into account the policy which both Russia and France had been steadily pursuing in the Far East for many generations, and which provided the common purpose on which alone an alliance can be securely based. The cobweb so laboriously spun by Bismarck has been described in Mr. Spender's words above: it was obviously incapable of bearing a serious strain if the interests of any one Power conflicted with those of its allies, and the occasions when there was an interest common to all were rare indeed. The same situation obtained in the period after 1890, when Europe became divided into a Triple-Alliance and a Dual-Alliance with England in splendid isolation. The 'interpenetration of alliances' was such that powers acted together to achieve ephemeral purposes with slight regard to the actual system of alliances to which they nominally belonged. It was not until England at a later date committed the fatal error of definitely throwing in her lot with one side that this fluidity disappeared and Europe became rigidly

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marshalled into two hostile camps, each held together by the fear that they must either destroy or be destroyed.

For several years the Franco-Russian entente of 1891 was but a whisper in the air and no one knew for certain that it existed. In 1894 it became an alliance accompanied by a military convention, but it was not till over a year later when the common action of France and Russia in the Far East could no longer be concealed that the fact of the alliance became known and openly acknowledged. It was in 1891 that Russia actually began the construction of the Trans-Siberian Railway—a project that had been under consideration ever since the founding of Vladivostok thirty years before, and it was their designs in the Far East that drew the two countries together. French commercial interests in China and the Far East generally have always been very small and the cynically aggressive policy that France has consistently pursued is a good example of imperialism pure and simple—the imperialism which seeks to gratify a desire for aggrandisement and prestige. It is unnecessary, however, to follow the course of French colonial expansion in the Far East in any detail. French interest in the Indo-China region began in the eighteenth century, and the spearhead of her advance was as usual the Christian missionaries sent out to convert the heathen. No progress, however, was made until in 1858 Napoleon III made a direct attack on the kingdom of Annam. In 1856-58 France, for no very obvious reason, joined Great Britain in the unjust war that we waged at that time against China, and at the earliest possible moment the troops that had been sent to China were moved south to take part in the expedition against Annam which resulted in the annexation of part of Cochin China. This was France's first acquisition of territory in this region, and it was at this period that she conceived the idea of effecting an entry into China by the back door, annexing, or establishing a dominating position in, the South-West provinces, Yunnan and Szechuen, and building railways that should attract the trade of this vast region away from its natural course down the Yangtse River to a new outlet in French territory in Indo-China. It was the kind of scheme that might look well on paper to a student of small-scale maps. The regions that France coveted were vast, mountainous, barren, devoid of natural wealth and sparsely inhabited, and the idea that a metre-gauge railway through such difficult country could divert any significant amount of

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trade away from the great Yangtse River was fantastic in the extreme. Few countries can have wasted such vast sums and incurred so much discredit in pursuit of schemes that could not possibly prove successful, but France continued to pursue them even after the present war broke out and up to the day of her defeat by Germany. For over twenty years after her annexation of Cochin China France was seeking an opportunity to take possession of Hanoi and Tongking. In 1873 she attacked Hanoi and was badly beaten by the Annamites assisted by Chinese irregulars. In 1883 and 1884 her aggressions brought her into conflict with the Chinese, but like the Japanese half a century later she preferred not to call it a war. It was a 'state of reprisals' and France was carrying out 'intelligent destruction'. Her troops were again badly defeated by the Chinese soldiers on the frontier, but the Manchu Government in Peking preferred to buy peace by the cession of what was after all only a remote tributary state and Annam thus passed into the possession of France. These discreditable proceedings caused the fall of a French Government, but they did not for a moment deflect France from the line that had been marked out. Six years later, when the construction of the Trans-Siberian Railway was begun, France and Russia fell into each other's arms. France would supply the money to build the Russian railway, together they would initiate a policy of penetration by means of railways, and in the fullness of time Russia advancing from the north and France from the south would join hands on the Yangtse and together they would dominate the whole of China. The railways which they contemplated building were not commercial railways built for and on behalf of the Chinese Government by private interests seeking a profitable investment for their money, they were railways to be built, owned and operated by the Russian and French Governments respectively and penetrating deep into Chinese territory. For France these were just the kind of schemes that Bismarck might have encouraged in order that France might dissipate her resources and remain weak and harmless in Europe. The Russian policy, however, was a very different matter, and had it not been bungled at a later stage by divided counsels at St. Petersburg Russia might have achieved a very brilliant position.

The advance of Russia across the empty spaces of Asia to the Pacific is one of the great romances of history. It was in the closing years of the

sixteenth century, at about the same time that Hideyoshi was conducting his Dragon Head Snake Tail campaign in Korea, that Russian traders, hunters and adventurers, followed by Cossacks, first began spilling over the Urals into what afterwards became known as Siberia, and so rapid was their advance — there being nothing to stop them — that less than sixty years later the first Russian settlements were established on the Sea of Okhotsk. During the seventeenth and eighteenth centuries the Russians avoided as much as possible coming into contact with the powerful Manchu Empire, which ruled over Manchuria and Inner and Outer Mongolia as well as China, and they were content to accept as the boundary between the two empires the watershed north of the great Amur River, leaving the river itself wholly under Chinese control. The decay of the Manchu power in the nineteenth century had its repercussions here as elsewhere: a vacuum was created and Russian explorers, adventurers, empire builders — the vanguard of the Russian advance — steadily pushed their way into northern Manchuria and particularly into the region between the Ussuri and the sea now known as the Primorsk or the Maritime Province. In 1847 Mouravieff — afterwards Count Mouravieff Amurski — the greatest of the Russian empire builders, was appointed Governor-General of Eastern Siberia, and immediately turned his attention to the Amur River. The opening of treaty ports to European trade had stimulated interest in the Russian settlements on the Pacific and the Russians began, quite illegally, to send flotillas down, and establish posts on, the Amur. The Crimean War in 1854 made it urgently necessary to establish better communications with the Far East, and in 1858 Mouravieff, profiting by China's difficulties during her war with England and France, succeeded in obtaining China's signature to a treaty (the Treaty of Aigun) which gave Russia rights of navigation on the Amur River and made the river itself the boundary between the two empires. There was further fighting in 1859 and 1860 because the British Government insisted that the Treaty of Tientsin must be ratified in Peking, and in the autumn of 1860 French and British armies had to fight their way into the capital in order to enforce observance of this stipulation. Again there was a Russian plenipotentiary on the spot prepared to improve the shining hour. The story goes that the French and British, having got their armies into Peking, were desperately anxious to get them out again before the rivers



froze and locked them up in Peking for the winter. The Russian plenipotentiary was well aware of this but the Chinese were not. The Russian therefore told the Chinese that he would use his good offices with Lord Elgin and Baron Gros and persuade them to withdraw as soon as possible. They withdrew according to plan and the Russian reaped his reward in the form of a new agreement ceding the Primorsk or Maritime Province to Russia. The great city of Vladivostok, situated on a good harbour at the southernmost end of the Primorsk, was founded in the following year.

From 1860 onwards the dream of a railway across Asia to the Pacific, of an advance southward into Manchuria and Korea and of a warm water port somewhere on the Korean coast continually haunted the imagination of the Russians. Unfortunately we had 'backed the wrong horse', and that grim mistake, which in Europe bore its share of the responsibility for the 'endless human misery' suffered by the Christian populations under the rule of Abdul Hamid, had repercussions in the Far East that were more dramatic and in the long run perhaps even more disastrous. Throughout the nineteenth century the expansion of Russia in Asia was the favourite bogey of British statesmen of all schools of thought. Occasionally a voice would be raised to point out that a sprawling, loose-knit and somewhat slack and inefficient empire such as that of Russia was not really capable of embarking on and carrying through so desperate an enterprise as the invasion and conquest of India, but it was always a voice crying in the wilderness. We continued persistently to overrate the offensive capacity of Russia as much as later on we underrated that of Japan. Nevertheless, it is difficult to understand why, when our chief fear was the threat to India, we should from the earliest times so persistently have thrown ourselves across Russia's path in the Far East. In other parts of the world we definitely disclaimed the role of the 'Knight Errant of the world careering about to redress grievances and help the weak'. We interfered only when a threat to British interests gave us a definite *locus standi*, but it is difficult to see what important British interest was threatened by Russian expansion in north-eastern Asia in the middle of the nineteenth century. A realistic foreign policy, such as that adopted by our rivals on the continent of Europe, might well have encouraged such a development as tending to lessen the risk to India.

In 1861 the Russians occupied Tsushima — an island that has played a

notable part in Japan's wars of aggression against Korea — but a British naval demonstration forced them to withdraw. In 1885, at a time of great crisis in our relations with Russia owing to her occupation of Penjdeh on the Afghan frontier, we occupied Port Hamilton, an island off the south coast of Korea, in order to forestall a Russian occupation, and we only evacuated it two years later after Russia had given a pledge to China that she would not occupy any port on the Korean coast. Ten years later, when we had repented of this attitude, it was too late and Russia's deep-rooted resentment and distrust made it impossible for us to influence her course in any way. These later instances, however, of the pressure of British sea power — first felt in 1855 — probably strengthened Russia's resolve to build the Trans-Siberian Railway. The final decision was taken in 1890 — the memorable year that saw the fall of Bismarck and the publication of Mahan's *Influence of Sea Power on History*. The first sod was cut in Vladivostok in May 1891 by the Grand Duke Nicholas, afterwards the Tzar Nicholas II, and construction was pushed forward from both ends at once. There were no great physical difficulties between the Urals and the Amur and by 1894, the year when the Sino-Japanese war broke out, the railway had reached the shores of Lake Baikal. Already voices were being raised in Russia to urge that the railway should be continued straight across Manchuria to Vladivostok instead of following the long northward bend of the Amur River.

Professor Langer refers to the hopeless divergence within the ranks of the Russian governing classes in the days of the autocracy and argues that it is misleading to speak of Russian policy because there were always several conflicting policies with the ultimate decision resting with the Tzar. Up to a point that has always been true of Russia, and in this, as in many other matters, there is no very great difference between Soviet Russia and Tzarist Russia. That is what makes it difficult to bring negotiations with Russia to a successful issue; it is also one of the reasons that makes it difficult to arrive at a correct interpretation of events merely by a study of the documents relevant to a particular period. The advance of Russia to the Pacific was one of those inexorable movements that are really beyond the control of those who sit in the seats of power. The great mass moved ponderously on and would certainly in time turn south as well as east. China under the Manchus was afflicted with paralysis. She made

concessions which failed to purchase even a temporary respite and took no effective measures to ward off the danger. The reaction in Japan, however, was very different.

From the dawn of history the Japanese have always been a warlike and aggressive people. Intellectually they are a curious amalgam of a shallow-minded people, never venturing into the realms of philosophy or speculation, yet extraordinarily quick at learning the knowledge acquired by other people, applying it in practice and improving on the lessons of their teachers. When they were still a mere tribe of unlettered savages, occupying a small portion of present-day Japan and a corner of Korea, they fell under the influence of the great Chinese civilization which had then, under the Sui and T'ang dynasties, reached the highest point ever achieved by the Chinese genius in culture and in social and political organization. The Japanese, characteristically eager to learn, set themselves assiduously to copy the great model set before them. It would be difficult, however, to imagine two people more unlike than the Chinese and the Japanese. The Chinese of the T'ang dynasty (A.D. 620 to 907) could already look back over a culture that had matured during three thousand years of slow development. Their profound and reflective minds had evolved a philosophy of life — humane, tolerant and pacific — which the Japanese mind has never been able to understand. The social and political structure of the Chinese with its egalitarianism and its emphasis on the reciprocal obligations of men in their human relationships was utterly alien in spirit to the Japanese conception of human society, which never rose above a feudal organization where obedience was the first essential and only those virtues were prized that were of value to the feudal lord. There were no racial affinities between the two people and their languages were also utterly different. The Chinese written language was an admirable medium for the expression of ideas and the Chinese ideogram was one of the most remarkable products of the Chinese genius, but it was almost impossible to represent the liquid agglutinative sounds of the Japanese tongue in the terse monosyllabic sounds of the Chinese characters. Nevertheless, the first thing that the unlettered Japanese borrowed from China was the Chinese written character. At first they used it for keeping written records in the Chinese language and only after three hundred years of painful struggle did they

work out a method — a clumsy and inadequate method — of writing Japanese in Chinese characters. As they took over the Chinese ideograms and endeavoured to fit them to their own speech so they took over the whole Confucian system of ideas and the whole T'ang system of administration and endeavoured to apply them to the entirely different social and political structure of Japan. The misfits with which the Japanese thus saddled themselves for over a thousand years have had a very warping effect upon their minds. Their life is a series of violent disequilibria and in their intercourse with foreigners this makes them nervous about correct behaviour, inarticulate, suspicious, secretive, insincere and untruthful. They have had to conform to a social code whose roots are found in foreign soil, they have had to struggle with a medium of expression unsuited to the genius of their language and the reality of their social and political institutions has seldom corresponded with the Confucian labels attached to them.

The universal genius of the Chinese expressed itself in systems and ideas that embraced all mankind, but the Japanese mind was never capable of rising above the consideration of the interests of the tribe. They clothed themselves with much grace in a garment fashioned out of the literary and aesthetic sides of the Confucian ethic, but they never allowed this to interfere with the self-worship of the tribe which from the earliest times to the twentieth century has been the fundamental principle of Japan's national life. Their extreme isolation helped to develop a strong national consciousness and to imbue them with a very genuine feeling that they were distinct in race and culture from other people. As the tribe increased in power and numbers and grew into a nation-state, which had to find its footing in a world of other nation-states, the primitive tribalism which treated every individual outside the tribe as an enemy, which believed that the good of the tribe must necessarily transcend all moral laws and which subordinated the interests of the individual to the interests of the tribe — this primitive tribalism passed by an easy transition into the full-blooded totalitarianism which presents so horrifying a spectacle in Europe to-day. When Mr. Shiratori, the former Japanese Ambassador at Rome, declared in 1938 that Japan had been a totalitarian state for three thousand years he was merely embroidering with the bombastical flourish so dear to the Japanese heart the simple truth that Japan, and not

Germany or Italy, is the true discoverer and most thorough exponent of this hateful and dangerous doctrine.

In the latter half of the sixteenth century, after a prolonged period of destructive civil wars, Japan produced three remarkable leaders, who each in turn attained supreme power — Nobunaga, Hideyoshi and Iyeyasu. Nobunaga brought Japan's dark ages to an end and restored order and strong government. Hideyoshi, who succeeded him, decided to carry out the long-cherished plan of conquering China and carving out with the sword a great empire that should include India, Formosa, the Philippines and other places. The size of the proposed empire seems indeed to have been limited only by the extent of geographical knowledge at that time. Hideyoshi began in 1592 by leading an army of Samurai into Korea in order to fight their way through to China. Korea had at this time reached a very high level of culture, wealth and general prosperity. She offered a desperate resistance to the invader and at the end of seven years the Japanese had got no further than northern Korea when the campaign — known by the expressive name of the Dragon Head Snake Tail campaign — came to an end with the death of Hideyoshi and the inglorious retreat of the Japanese armies to their own country. They left Korea a land in ruins. To this day Korea is filled with monuments, literature and traditions describing the horrors of the seven years' war and keeping alive for generation after generation the memories of the atrocities committed by the Japanese. To this day Japan is known in Korea as 'the accursed nation'. At that time Korea had invented and was the only country in the world that possessed movable metallic type. All of this was gathered up and removed to Japan, and it was only after this act of spoliation that the Japanese mastered the art of printing books. Skilled Korean workmen were taken prisoners to Japan and from them the Japanese learned the manufacture of porcelain and other arts. Satsuma, Hirado, and all the other wares for which Japan is famous originate from this time, but porcelain manufacture is now a lost art in Korea. 'World history', says a Japanese historian, 'contains no parallel to the wholesale uprooting of the civilization of one nation and its transplantation to another.'

A few decades after the withdrawal from Korea the Rulers of Japan, impressed with the dangers inherent in contact with the predatory

nations of Europe, decided to cut off all communication with foreign countries. Foreigners were not allowed to enter Japan or Japanese to go abroad, and the construction of vessels above a certain size was prohibited. A listening post was maintained at Nagasaki where a few Dutchmen, who for some reason were regarded as the least dangerous of all Europeans, were allowed to live and carry on a limited commerce, but with this exception the seclusion policy was rigidly maintained until it was brought to an end by the arrival of an American squadron, under Commodore Perry, demanding that Japan should enter into normal diplomatic relations with the United States of America. The threats of Commodore Perry were the occasion and not the cause of Japan's emergence from her seclusion. During the whole period of seclusion the Japanese had been haunted by Hideyoshi's dreams of conquest and the idea that it was the divine mission of the Yamato race to subject the whole of Asia to the blessings of Japanese rule. During the eighteenth and nineteenth centuries the conquest of China was a favourite theme of discussion among the bolder spirits in Japan. As news of the great events taking place in the outer world seeped through — the founding of empires, the rise of the industrial state, the conquest of time and space — they became more and more impatient of their self-imposed bonds. There was a great surge and stirring of the national life. For two or three decades past there had been a sudden and widespread movement to found 'Patriotic Schools' where Yoshida Shoin and other fiery spirits preached the doctrine of manifest destiny. In 1853, the year of Perry's visit, Mouravieff had already been Governor-General of Eastern Siberia for six years and had begun founding posts on the Amur River, the doors of China had been forced open by the Treaty of Nanking eleven years before, the great Taiping rebellion had begun to rage and the Yellow River had burst through its containing dykes and found a new outlet to the sea five hundred miles away — a catastrophe which seemed to portend the collapse of the Chinese administration. The impulse to reopen intercourse with the Western world thus came from within rather than from without, and from the beginning there was never any doubt that Japan's most urgent task was to learn from the West the secrets of power and worldly success. It was so obviously necessary for Japan to be in a position to defend herself against the dangers threatening her in a rapidly changing world that she had actually

progressed from zero to the status of a first-class Power before any suspicion had been roused that what had really inspired the nation to make these tremendous exertions was the age-old dream of manifest destiny and the determination to resume the career of conquest, abandoned two and a half centuries before, and carve out with the sword the great empire on the mainland of Asia which Hideyoshi had planned.

The almost miraculous success which attended Japan's attempt to convert her institutions from those of a medieval feudal regime into those of a highly centralized modern state is one of the wonders of the nineteenth century. The contrast with China is remarkable and it should not diminish our admiration of Japan's achievement or our disappointment at China's failure if we realize that Japan was more fortunate than China, for the impact of the West fell upon her at a favourable moment. For two hundred and fifty years Japan had enjoyed profound peace both at home and abroad, and her people had developed a social organization which, in agriculture and industry as well as in a wide range of arts and crafts, afforded scope for the talents of a skilled and capable people, and gave them both security and a high standard of living. The great nobles among whom the country was parcelled out governed their domains with all the paraphernalia and hierarchy of the feudal organization, but under the firm rule of the Tokugawa Shoguns their talents were devoted not to war, but to the arts of peaceful administration, so that when the time came to bring the feudal regime to an end all the materials for an experienced and competent civil service, functioning under the direction of a highly trained bureaucracy, lay ready to hand. For centuries the only virtues prized had been those that possessed a military value and the common people had been trained to be docile and obedient. As the relative positions of the various social groups remained unchanged, individuals quickly found their level in the new regime. There was no great upheaval and no transfer of power from one class to another. The feudal aristocracy who had previously governed Japan now became the upper ranks of a bureaucracy which, behind a screen of parliamentary forms and liberal institutions borrowed from the West (as T'ang dynasty forms had been borrowed one thousand two hundred years before), retained the real power in their hands and decided the policy of the country. Japan was fortunate in producing some very great leaders in the



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nineteenth century and never were her traditional virtues of loyalty and patriotism displayed to better advantage.

The greatest difficulty that faced the leaders of Japan during the latter half of the nineteenth century was to impose some measure of caution upon the more ardent spirits among the Samurai, who wished to resume the programme abandoned by Hideyoshi before the time was ripe. In 1874, only six years after the Meiji Restoration, the Government had considerable difficulty in preventing an attack upon Korea — a military adventure which might at that stage have had disastrous results for Japan. Twenty years later she was better prepared, but the problem of Korea presented peculiar difficulties. Korea was clearly incapable of standing alone; China, the nominal suzerain, was not competent to introduce the necessary reforms in the administration or exercise adequate control. Precipitate action by Japan might bring on a war with Russia and alienate the sympathies of Europe and America, but if she waited until the Russian railway reached the Pacific both Korea and Manchuria would fall into the lap of Russia and the independent existence of Japan would be seriously threatened. Japan would have preferred to have a few more years in which to build up her armaments, but when the Trans-Siberian Railway reached Lake Baikal further delay seemed to be too dangerous, and she decided to make the first move by expelling China from Korea. The Sino-Japanese war broke out on August 1st, 1894 — China collapsed ignominiously, negotiations for peace were opened in January 1895 and the Treaty of Shimonoseki, which stipulated for China's recognition of the complete independence of Korea, was signed on April 17th, 1895. Once again the Japanese leaders had great difficulty in restraining their victorious soldiers within the bounds of prudent moderation. They were obliged against their better judgment to include in the Treaty a stipulation for the cession of the Liaotung Peninsula, the extreme southern tip of Manchuria and afterwards the site of Port Arthur and Dalny, renamed by the Japanese Dairen. This demand for a *pied-à-terre* on the mainland really let the cat out of the bag, for its only value to Japan was as a base for further aggression against the territories of the Manchu Empire. It led immediately to the famous intervention by Russia, France and Germany which forced Japan to give way and retrocede Liaotung to China.



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The action of Russia and France is easily understood: they had a plan of their own — to be financed by France — for joint domination of China which would be upset if Japan were established in a strategic position on the mainland. Therefore Japan must be made to withdraw. The action of Germany was rather more indirect. Germany's policy at this time was to encourage Russia in every possible way to expend her energies on expansion in the Far East in exactly the same way, and for exactly the same reasons, as she had encouraged France to waste her substance in colonial adventures and had encouraged England to become involved in Egypt. Moreover, the Kaiser at about this time conceived the idea of acquiring a naval port somewhere on the China coast in order that Germany might be favourably placed for the scramble that everyone saw was coming. Germany, therefore, joined in the intervention. Great Britain declined. Professor Langer is somewhat scornful about this. He says that we had no policy in the Far East, that we had completely miscalculated the situation, that we had put our money on the wrong horse in the Far East as well as in the Near East, that the policy of supporting China as a bulwark against Russia was proved to be as mistaken as the older policy of bolstering up Turkey; Great Britain, owing to her predominant position, 'was entitled to take the lead in the settlement of the conflict which she had failed to prevent. She should clearly either have defended China from the exorbitant demands of Japan and thrown her whole influence in the direction of reforming and strengthening the Celestial Empire, or she should have frankly welcomed the rising star of Japan and have intervened to prevent the other Powers from interfering. Neither policy was followed. The British deserted China as soon as they learned that Japan's terms included demands for the opening of more Chinese ports. But they refused to stand by Japan when the pressure of other Powers began to make itself felt.' All of which — apart from its more obvious contradictions and even absurdities — only goes to show how gravely the deeper tides that flow in the affairs of nations may be misinterpreted by the student of documents. Great Britain has made many frightful blunders over points of detail in her Far Eastern policy, but for fifty years before the Sino-Japanese war and for nearly fifty years since she has consistently, in Professor Langer's phrase, 'thrown her whole influence in the direction of reforming and strengthening the Celestial

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Empire', and, in spite of many disappointments and vicissitudes, few Englishmen think that we have backed the wrong horse. In a moving passage in his book *Fifty Years of Europe*, Mr. Spender describes the complete absence of all ethical standards in the public life of Europe during the forty years before the first world war, and he rightly claims that only in the British documents is there to be found any appeal to the common ideas of right and wrong or any notion of observing the candour and rectitude which would be expected in the dealings of private individuals. The strongest impression left upon the mind after a study of this period is that the affairs of nations were in the hands of hardened gangsters — sometimes cynical sometimes neurotic — and we soon cease to be disturbed when continental statesmen find British policy to be either stupid, unstable or pusillanimous. It is when Bismarck approves of Salisbury not when he abuses him that we fear that the honour of our country may have been betrayed.

During the months that elapsed between the collapse of Chinese resistance and the signature of the Treaty of Shimonoseki the Chinese discovered that other Powers would probably refuse to acquiesce in any annexation by Japan of territory on the mainland, and, in the usual Chinese way, they sought to enlist the support of other Powers to save them from the worst consequences of defeat. They were warned by the American Minister, whom they consulted and who certainly had no American axe to grind, that to invite European intervention would be the surest way of hastening the dismemberment of China. Nevertheless, Li Hung Chang persisted in this course and before agreeing to the cession of the Liaotung Peninsula had already received assurances that Russia, France and Germany would intervene to enforce its retrocession. The sole purpose of the intervention — particularly in the case of France and in a lesser degree in the case of Germany — was to establish a position that would enable them to extort from China concessions in their own interests. Events moved fast. On May 8th, three weeks after the signature of the treaty, Japan agreed to the demand of the three Powers that Liaotung should be returned to China. On June 7th France and Russia made a loan to China of 400 million francs — £16 million sterling — to pay the first instalment of the indemnity to Japan. The loan was made on extraordinarily easy terms, the rate of interest being only 4 per cent

and repayment of the loan being guaranteed by Russia. A fortnight later, on June 20th, 1895, the French Minister at Peking secured the signature of the Chinese Government to two conventions which gave France prior rights in the exploitation of mines in Yunnan, Kuangsi and Kuangtung, and the right to extend the French railways in Indo-China into Chinese territory. This was the beginning of the Battle of the Concessions and England had acted wisely in refusing to take part in the discreditable proceedings that led up to it.

## CHAPTER VII.

### THE GANGSTERS' CODE

LORD SALISBURY returned to office as Prime Minister and Foreign Secretary in June 1895 — the very month when the Battle of Concessions began in China — and though it is now apparent that the international developments of the greatest importance during the next few years were those that took place in the Far East, it is safe to assume that the greater part of Lord Salisbury's attention was taken up with the difficulties created nearer home by the desperate state of the Turkish Empire, which the Concert of Europe was incapable of either ending or mending, by the crisis in our relations with the Boers in South Africa and by the perennial difficulties arising out of our position in Egypt, and the schemes of the French for rendering that position untenable by gaining control of the upper waters of the Nile. The course of events in the Far East cannot profitably be considered except as one element in the complicated pattern of the international situation in the world as a whole. During 1895 the most spectacular source of trouble was in South Africa, where President Kruger was openly angling for German support. The friction came to a head with the outburst of popular fury in England after the Kaiser's telegram of congratulation to Kruger over the failure of the disastrous Jameson raid. Dramatic stories are told in the published documents of angry passages between the German Chancellor and the retiring British Ambassador at Berlin, of one ultimatum that just missed fire and another that was recovered unopened, either of which might have plunged England and Germany into war; but in fact the danger of war was not really very great, for Germany's conduct was due, not to hostile feelings towards England, but to the obsession of the Kaiser and the German Foreign Office that the best way to win the friendship of the English was to frighten them into joining the Triple-Alliance. The security that England drew from splendid isolation was illustrated at this time, for France and Russia, though engaged in a joint onslaught on the British position in China, showed no desire to join Germany in making things unpleasant

for England in South Africa, and both Germany's partners in the Triple-Alliance were dismayed at the Kaiser's wanton stirring up of ill feeling in England. One of these partners, Italy, at the very time of the Kruger telegram, was getting into serious difficulties in Abyssinia, and two months later, on March 1st, 1896, suffered the crushing defeat of Adowa. A fortnight later England sent an expedition up the Nile, partly in order to create a diversion to help the Italians in their difficulties and partly with the object of recovering the Soudan and gaining control of the Upper Nile. This decision was a great shock to France, and during 1896 the criss-crossing between the different alliances became more than usually complicated. After Adowa the Kaiser became more eager than ever that England should join the Triple-Alliance, but did not find this attitude incompatible with urging France to make a joint stand with Germany against England in South Africa. France rejected these overtures, but in Egypt, where payment for the Nile expedition out of Egyptian revenues became a burning question, France and Russia opposed England while Germany alone supported her.

In the middle of 1895 it seemed to Lord Salisbury that he might have to deal simultaneously with the problems created by the dissolution of two great Empires — the Turkish Empire in the Near East and the Chinese Empire in the Far East — and it was the former of these two problems that seemed most likely to lead to a great European war. The ideal solution favoured by Lord Salisbury was the controlled and orderly break-up of the Turkish Empire under the superintendence of the Concert of Europe, and in order to effect this he would have been willing to give Russia complete satisfaction as regards the Bosphorus and the Dardanelles. He appears to have made cautious soundings in various directions, but in the general atmosphere of suspicion and distrust it soon became evident that no progress on these lines was possible and these general ideas were never put into the form of concrete proposals. It is certain, however, that from the moment of his assuming office in June 1895 Salisbury, in order to bring about more stable conditions and avert the danger of a sudden outbreak of war, stood ready to meet Russia's wishes in every possible way. When an insurrection broke out in Crete in May 1896, and this was followed by frightful massacres of Armenians in Constantinople itself, it was known that, within reason, Salisbury would have gone to any lengths — he would

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have abandoned Constantinople to Russia and Syria to France — in order to bring about the deposition of Abdul Hamid and concerted action with regard to the Turkish Empire. Nothing could be done because the European Powers preferred for various reasons to maintain the *status quo*. France was concerned primarily with the interests of her bondholders, Austria feared that any change might shake her ramshackle empire to pieces, the Kaiser had been ostentatiously courting Abdul Hamid since 1889 and German officers were training the Turkish army, while Russia, adopting an attitude strangely like that of Japan towards China some forty years later, objected to any international treatment of the Turkish problem because she wished to deal with Turkey single-handed. In October and November Salisbury made definite and far-reaching overtures in connection with the questions of the Straits and the Suez Canal, but again they led to nothing. In the Far East also during this period a friendly understanding with Russia seemed to be the key to a satisfactory solution of the problem.

The Franco-Russian loan to China of 400 million francs of June-July 1895 was the first-fruit of two separate policies which had been concerted between France and Russia on the one hand and between Russia and China on the other. The Franco-Russian programme was that France was to extend French-owned railways into China from the south-west and Russia was to extend Russian-owned railways into Chinese territory from the north. These foreign-owned railways would create an *imperium in imperio*, they would be extended northward and southward until they met on the Yangtse and simultaneously with the construction of the railways, Russia and France would by means of loans secured on the customs revenues obtain not only a stranglehold on Chinese finances but control of the Maritime Customs Administration, which had been built up by the genius of Sir Robert Hart with the friendly aid and encouragement of the British Government. The only railways in China at the time of the Sino-Japanese war were a few hundred miles of Government-owned railways built for the Chinese Government by British engineers out of the proceeds of loans floated in the open market on behalf of the Chinese Government by British financial institutions. If the Franco-Russian programme were carried through successfully British industrialists and financiers would in future be excluded from such business, Sir Robert Hart and other British

employees in the Customs Administration would be replaced by Frenchmen and Russians, and British merchants would in future have to deal with an administration that would not hesitate to discriminate against British trade. The programme thus constituted a direct assault on the position built up by England during the previous one hundred and fifty years and the task that faced British statesmen was the defence of these great interests against the dangers that threatened. The ideal would have been to maintain intact the principle of the open door and equal opportunity for all, with which was bound up the independence and integrity of China, but the Sino-Japanese war had just exposed such a desperate state of corruption, cowardice and ineptitude in high places that it seemed doubtful whether the disintegration of China could be prevented. The break-up of China was not by any means regarded as inevitable, but it was one of the possibilities which British statesmen, charged with the protection of British interests, were bound to keep constantly in mind.

But in addition to the Franco-Russian programme there was also the policy that had been concerted between Russia and China during the war and while peace was being negotiated. The Chinese had an instinctive feeling that Russia — whatever schemes of domination she might be incubating — constituted a lesser danger to Chinese civilization and the traditional Chinese way of life than the Japanese, with their strange amalgam of complete mastery of Western scientific technique combined with a narrow outlook, intolerance and ferocity which Chinese culture concealed, but had not succeeded in softening. In any case a great land power with a vast contiguous empire on the mainland of Asia was the only power capable of calling a halt to Japan. The Chinese therefore in their distress turned for help to Russia and Russia willingly assumed the role of Protector. The general outline of the new arrangement took shape early in 1895: Russia was to build the Trans-Siberian Railway straight across Manchuria from Chita to Vladivostok, and was to build branch railways running southward so that, in the event of a fresh aggression by Japan against China, Russian troops could be transported quickly to the scene of action. The necessity for a warm water port for Russia somewhere south of Manchuria was also discussed. Kiaochow was definitely mentioned in this connection and certain rights — described later by the Russian Government as *droit de premier mouillage* — were actually granted

to Russia. In implementing this Sino-Russian programme the Russians were much slower in getting off the mark than the French were in starting their share of the Franco-Russian programme described above. This was partly due to Russian slackness and inefficiency and partly due to the fact that the money for the programme had to be obtained from French sources, and the large profits made by many Russians out of the money provided for the 400 million francs loan of July 1895 had already caused a little rift within the Franco-Russian lute. However, the charter for the Russo-Chinese Bank — 'a hybrid political-financial institution which in reality was but a slightly disguised branch of the Russian treasury' — was granted to the Committee of the Siberian Railway in December 1895. On June 3rd, 1896, a secret treaty of alliance between China and Russia was signed by which China agreed to grant the concession for the Chinese Eastern Railway across Manchuria to the Russo-Chinese Bank, and each of the contracting parties agreed to come to each other's aid in case of any fresh aggression directed by Japan against either Russia, China or Korea. The contract with the Russo-Chinese Bank for the construction of the Chinese Eastern Railway was signed in September 1896 and the Statutes of the Chinese Eastern Railway Company received the approval of the Tzar on December 16th, 1896.

The existence of the Russo-Chinese Treaty of Alliance was kept a secret for about ten years and was only officially revealed at the Washington Conference in 1922, but the role that Russia aspired to play towards China — with China's consent — was fairly generally known, and if China was really incapable of maintaining her complete independence this might prove a more satisfactory alternative than a general break up with the wild scramble that would certainly accompany it. If a break up could be avoided and a general balance maintained England, in isolation, was well able to ensure that the Franco-Russian scheme (as distinct from the Sino-Russian programme) did not drive British interests off the map. The second loan for the payment of the second instalment of the Japanese indemnity provided a good illustration of the kind of thing that might be expected to happen. In making the first loan of 400 million francs behind the back of their partner in the triple intervention, France and Russia had thrown Germany into the arms of England. There was also, as mentioned above, some coolness between France and Russia over money matters



and there was also China's inveterate habit of, and great skill in, playing off one Power against another. The result was that, in spite of acute friction between Germany and England in South Africa, German and British interests were co-operating in China, and in March 1896 the second loan was made, not by France and Russia, but by a consortium of British and German banks.

During 1895 and 1896, after Salisbury's accession to office in June of the former year, the British Government made every effort to convince Russia that neither in the Near East nor in the Far East did England desire any longer to block the way. In October 1895 some excitement was caused in England by the revelation that Russia contemplated linking Port Arthur with the Trans-Siberian Railway by means of a Russian railway traversing Manchuria. Lord Salisbury at the annual Lord Mayor's banquet at the Guildhall on November 9th was at some pains to reassure Russia: there was no cause for alarm or undue sensitiveness as British merchants were equal to meeting any competition that might be offered. 'I cannot forget,' he said, 'the great words of Lord Beaconsfield—"In Asia there is room for us all".' Two months later Mr. Balfour at Manchester, on February 3rd, 1896, repeated this doctrine. 'What is good for one is not necessarily bad for the other—surely Asia and Africa are large enough for all of us.' He went further and definitely declared that England had no objection to Russia acquiring an ice-free commercial outlet on the Pacific. 'Russia and all the world generally and British commerce and enterprise would be the gainers.'

These speeches reflected a widespread movement of opinion in England that an attempt should be made to reach a basis of friendly co-operation with Russia by meeting her wishes in whatever way it might be possible to do so. Following the advice given by Gladstone in 1876 the English had given up their fear of the 'standing hobgoblin of Russia' and by the end of 1896 Salisbury was willing to let Russia have possession of Constantinople if this could be peacefully effected. These overtures failed to achieve the desired result, partly because it was now too late to overcome the deep-rooted Russian distrust and partly because Russian statesmen lacked the wisdom and determination to seek a radical solution of the Near Eastern problem, while their energies were concentrated on pushing forward in the Far East the programmes concerted with France

and China; and in the Far East Russia was aiming at something much more ambitious than the ice-free commercial outlet suggested in Mr. Balfour's speech. Owing to Russia's refusal to accept the olive branch, held out by England, the situation in the Near East continued to deteriorate, an insurrection in Crete being followed by war between Greece and Turkey, while in the Far East Russia pressed forward with her programme which now more and more openly became a direct onslaught on the British position in China. During 1897 the construction of the Chinese Eastern Railway across Manchuria was begun, and in August, Russia demanded the dismissal of Mr. Kinder, the British engineer employed by China for the construction of the Chinese Government railways in North China. In May negotiations were begun by China with a Belgian syndicate for the construction of a railway from Peking to Hankow, and it became known that the syndicate was a fence for French and Russian interests and that the Russo-Chinese Bank was to participate in the contract. About the same time negotiations were opened by China with both Russia and England for a third loan of £16 million to pay off the last instalment of the Japanese indemnity. One of the conditions demanded by Russia was that the Chinese land tax should be pledged as security for the loan and it also became known that she was demanding the dismissal of Sir Robert Hart and the appointment of a Russian as Inspector-General of Customs in his place.

England not unnaturally reacted strongly against this attack. She was prepared to acquiesce in Russia playing the role of protector of China against future aggression if that was China's desire, but she was not prepared to sit with folded hands while British trade and industry were surreptitiously pushed out of China. In particular, she was not prepared to see Russia oust Sir Robert Hart and the British element from the Customs Administration and turn that institution, like the Russo-Chinese Bank, into a branch of the Russian Treasury, nor was she prepared to allow the Russo-Chinese Bank to establish, by means of a network of railways, political control over the most fertile and populous provinces of China, on the same lines as she was evidently preparing to control the empty spaces of Manchuria. It might be difficult to prevent Russia monopolizing the trade of Manchuria, but this would be a trade largely created by the railway system which Russia was proposing to construct.

In China proper, however, a vast trade had for many centuries gone up and down the great Yangtse River which served a hinterland inhabited by one hundred and eighty million people — one tenth of the human race; Shanghai, the great emporium at its mouth, long before foreign merchants had even heard of its existence, had been the greatest trading centre in eastern Asia, with a volume of shipping equal in tonnage to that which annually entered and cleared at the Port of London. British trade with China at the end of the nineteenth century easily surpassed that of all other European countries put together, and it was in this region that the greatest concentration of British interests was to be found. The British Government, therefore, protested to the Chinese Government that in the circumstances a concession for the Peking-Hankow Railway granted to French and Russian interests was no longer an industrial or commercial enterprise but 'a political movement against the British interests in the region of the Yangtse'. The Chinese Government gave an assurance that no concession would be granted to any syndicate which included the Russo-Chinese Bank, and when in August 1897 a contract was signed with the Belgian syndicate in question, in flagrant violation of this promise, England demanded and obtained assurances that the contracts for a number of commercial railways would be granted to British interests.

The scene of the struggle then shifted to the loan negotiations which China was conducting simultaneously with England and Russia, but at this stage the whole situation was radically transformed by the sudden seizure by Germany of Kiaochow on the coast of Shantung on November 14th, 1897. Russia strongly objected to this move, but unfortunately her statesmen lacked the courage and the wisdom to adhere to the role of protecting China against aggression. They gradually withdrew their support from China and on December 14th a Russian squadron anchored in Port Arthur harbour. Early in January 1898 there was no longer any doubt that China would be forced to cede (or lease) Kiaochow to Germany and Port Arthur to Russia and that in each case the cession would be accompanied by the grant of the exclusive political rights that constitute a sphere of influence. In a speech at Manchester on January 10th, 1898, Mr. Balfour explained that foreign Governments might

(a) put pressure on China to destroy that equality of opportunity 'which is all that we claim, but which we do claim', or .

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(b) 'dot the coast of China with stations over which they have complete control and . . . where they would put up customs barriers . . . hostile to others and favourable to themselves', and he declared that the Government were determined to prevent British trade from being injured in this way. 'In such an effort we are, after all, struggling not for ourselves only but for the world at large.' The danger that some power might any day seize a port on the Yangtse itself and demand and obtain from the Chinese Government the grant of exclusive commercial and political privileges in the neighbouring provinces was a very real one. The British Government, therefore, included in their conditions for the proposed loan to China stipulations safeguarding the position of Sir Robert Hart as Inspector-General of Customs and rendering impossible any such cession of territory. China was willing to agree to both these demands provided they were separated from the loan negotiations, and eventually an extremely satisfactory solution of the difficulty was found. China broke off the loan negotiations with both England and Russia, and on February 19th, 1898, concluded a loan agreement with private British and German Banking interests. Assurances relating to the Yangtse and to Sir Robert Hart had already been embodied in exchanges of notes, dated February 9th and February 13th respectively. The latter note stated that so long as British trade with China exceeded that of any other country 'it is intended that as in the past, so in the future, an Englishman shall be employed as Inspector-General'. The text of Sir Claude MacDonald's note to the Tsungli Yamen (the Chinese Foreign Office) of February 9th, 1898, relating to the Yangtse is worth quoting in full:

Your Highness and Your Excellencies,

You have more than once intimated to me that the Chinese Government are aware of the great importance that has always been attached by Great Britain to the retention in Chinese possession of the Yangtse region now entirely hers as providing security for the free course and development of trade.

I shall be glad to be in a position to communicate to Her Majesty's Government a definite assurance that China will never alienate any territory in the Provinces adjoining the Yangtse to any other power whether under loan, mortgage or any other designation. Such

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an assurance is in full harmony with the observations made to me by Your Highness and Your Excellencies.

(Signed) CLAUDE M. MACDONALD.

The reply from the Tsungli Yamen, after quoting the British Minister's letter in full, proceeded:

The Yamen have to observe that the Yangtse region is of the greatest importance as concerning the whole position (or interests) of China and it is out of the question that territory in it should be mortgaged, leased or ceded to another Power. Since Her Majesty's Government has expressed its interest (or anxiety) it is the duty of the Yamen to address this note to the Minister for communication to his Government.

If it were not for the fact that one writer after another has recklessly repeated the charge that after Germany's seizure of Kiaochow England abandoned her principles and joined in the scramble for spheres of influence it would hardly be necessary to point out that the action taken by England culminating in the notes quoted above was entirely in accordance with her traditional policy of the open door and equal opportunity for all and respect for the integrity and independence of China. During the course of the nineteenth century China had lost one after another most of her outlying possessions — Macao in 1847, the Primorsk and Vladivostok in 1861, Cochin China in 1862, the Liuchiu Islands in 1873, Annam in 1884, Upper Burma in 1886 and Korea and Formosa in 1895. The Battle of the Concessions marked another step downwards in this rake's progress, but the position was a long way from approaching the point where any responsible British statesman would have been justified in contemplating embarking on a European war in order to prevent the seizure of ports and spheres of influence by other Powers. On January 25th, 1898, while the struggle over the loan, the threat to the Yangtse valley and the position of Sir Robert Hart was at its height, Lord Salisbury made a last effort to reach a comprehensive understanding with Russia on the basis of which each country might pursue its legitimate interests both in the Near East and the Far East without the violent diplomatic clashes which were such a disturbing feature in international relations during this period.

Unfortunately the more irresponsible elements had gained the ear of the Tzar at this time and Russia, having abandoned her role of protector of China, was not prepared to resume it. An approach was also made to America. On March 8th, 1898, the British Ambassador at Washington was instructed to inquire whether the British Government 'could count on the co-operation of the United States in opposing action by foreign Powers which may tend to restrict freedom of commerce of all nations in China either by imposing preferential conditions or by obtaining actual cession of coast territory'. The reply was a polite evasion to the effect that no American interest appeared to be threatened by the recent developments in China. By this time the scramble that everyone foresaw would be precipitated by Germany's seizure of Kiaochow was already in full swing. On March 6th the agreement with Germany was signed, granting Germany a lease of Kiaochow for 99 years with preferential rights in the development of the Province of Shantung. On March 7th France demanded the lease of Kwangchowwan, a harbour on the south coast of China, and within the next fortnight it became known that the lease of Port Arthur to Russia was about to be signed. The lease was actually signed on March 27th. Two days earlier, on March 25th, the British Government after five Cabinet meetings decided to demand the lease of Weihaiwei. On April 2nd the Chinese Government under pressure agreed to the lease for as long as Russia remained in occupation of Port Arthur.

Lord Curzon, who some months later was appointed Viceroy of India, was chiefly responsible for this exceedingly foolish decision. The occupation of Weihaiwei was intended, as the wording of the agreement suggests, to be a counterpoise to the Russian possession of Port Arthur with a view to preventing Russia obtaining a dominant influence at Peking. When the proposal was first put forward Salisbury had pointed out that Russia's influence was due to her 4000 miles of common frontier with China rather than to her possession of Port Arthur, but when the five Cabinet meetings were held Lord Salisbury was away on holiday, recuperating in the south of France. Balfour, who was acting as Prime Minister, requested Curzon to attend the meetings and it was he who persuaded the Cabinet to demand Weihaiwei. Imperialism was popular even with the masses in the nineties of the last century, and many people besides Lord Curzon

belonged to that type of imperialist who believe that painting another spot of red anywhere on the map of the world must redound to the greater glory of England. Curzon also wanted an argument to help him in the debate in the House of Commons against the critics who, then as always, were only too ready to denounce the weak-kneed attitude of the Foreign Office in face of the bold and successful policy of their continental rivals. Many simple-minded people — including for example the captain of the ship on which I travelled from Colombo to Shanghai — experienced a glow of pride and satisfaction when they heard that England had occupied Weihaiwei and felt quite sure that it was a much more valuable possession than either Port Arthur or Kiaochow. The truth was that Weihaiwei, with its bathing beach and sites for bungalows, had possibilities as a summer resort, but was incapable of development for any serious purpose. The Government may have been aware of this when, in order to meet any objections that might be raised by Germany, they gave an assurance that England had no intention of contesting the rights that Germany had just acquired in Shantung and that, in particular, she would never build a railway from Weihaiwei to the interior of the Province. This attitude had the advantage of demonstrating that, in occupying Weihaiwei, England's object was to uphold the integrity and independence of China and that she was not seeking to further any material interests of her own. The occupation involved recognizing the prior rights which Germany had just extorted from China, but the fact that we did not extort similar rights for ourselves, or demand similar recognition in return from Germany showed that England, in accordance with her declared policy, had no intention of copying the example of other powers and seizing a sphere of influence. On the other hand the attempts to prove to the House of Commons and to the British public at large that we had pursued a bold and active policy in defence of British interests in China had unfortunate results.

Many people realized that the occupation of Weihaiwei was a meaningless gesture which lent itself to misinterpretation and the tortuous arguments and ambiguous statements by which it was sought to justify the blunder have been a fertile source of misunderstanding and suspicion ever since. Balfour's speech in the House of Commons on April 29th, 1898, after the publication of the Blue book, has probably caused more mystifica-



cation than any other speech even by that eminent dialectician. When analysed and translated into plain language Balfour's argument was as follows:

(a) The main concentration of British interests is in the Yangtse valley. If any Power leased a port on the Yangtse and proceeded to build railways radiating out from that port in all directions that would be a grievous injury to British interests and we have taken steps to prevent anything of the kind happening.

(b) The main concentration of German interests is in the Province of Shantung. We have leased Weihaiwei, a port in this province, and we have promised Germany that we will not build railways from Weihaiwei into the interior of Shantung. That is only fair because that is what we should object to Germany or any other power doing in the Yangtse.

This was a clever argument but it is excess of cleverness that usually does most harm in foreign policy. It glossed over the fact that Germany had extorted by force from China a promise of prior rights in Shantung in violation of British rights — thus constituting Shantung a German sphere of influence — and that England, instead of protesting and maintaining her treaty rights, had recognized Germany's sphere of influence. The speech also conveyed the impression that our position on the Yangtse was the same as Germany's position in Shantung; which was quite false because England, unlike Germany, had not extorted from China a grant of prior rights. As a result of Balfour's speech a confusion arose in the public mind between a sphere of influence where prior rights had been granted, and a region where the interests of a country are mainly concentrated. Few English writers on the Far East do more than copy what some previous writer has said with the result that almost every book dealing with this period treats the terms sphere of influence and sphere of interest as synonymous and makes the wholly untrue statement that England, following the example of Germany, France and Russia, grabbed a sphere of influence in the Yangtse valley. Some people, however, were intelligent enough to see that the British Government had obtained no prior rights. It was constantly urged that the British Government should secure a sphere of influence in the Yangtse valley, to all of which proddings the spokesman of the Foreign Office invariably replied that any such action would be inconsistent with the policy which Her Majesty's Government



had always pursued in China. The net result was that, while certain parts of China had been set aside for exploitation by certain nationals to the exclusion of British subjects, those nationals were perfectly free to compete for railway contracts in every other part of China, including the Yangtse valley, where British interests were mainly concentrated. In order to protect British interests from what looked like unfair competition, the British Government used the argument that people like Germans and Russians who claimed spheres of influence should confine themselves to those spheres and not seek to obtain contracts in the Yangtse valley. This was a very naive argument without any juridical basis whatever — as the Germans among others were not slow to point out — and it never in any single instance had the slightest effect. Persons of many different nationalities continued to compete freely, and in many cases successfully, with British enterprise in the Yangtse valley which was exactly the healthy state of affairs that was contemplated in the exchange of notes of February 9th, 1898. It caused much chagrin, however, to many British merchants who had been led to believe by Mr. Balfour's mystifications and by the efforts of the British Foreign Office to keep out Germans and Russians that the Yangtse valley was in some obscure way a British sphere of influence, and, as I have remarked elsewhere, it was a common saying among them that if the British Government had secured a sphere of influence it must have been confined to the bed of the Yangtse river.

The worst that can be said about the action of the British Government in insisting upon the lease of Weihaiwei is that it was foolish in the extreme, but it is difficult to find any excuse for the lease of the Kowloon territory on the mainland adjoining the colony of Hongkong. The French demanded the lease of Kwangchowwan on March 6th, 1898. The British demanded the lease of Weihaiwei on March 25th and China consented on April 2nd. A week later, on April 10th, the lease of Kwangchowwan was signed and in order to redress the balance the British made further demands, including a demand for the lease of Kowloon. This again was not in any real sense a blow at the independence and integrity of China, but it was a most indefensible demand and provided some justification for the charge so frequently made that England had abandoned her principles and joined in the scramble to carve up China. If one may hazard a guess, the most probable explanation is that the military

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authorities had declared that the possession of this territory was necessary for the defence of Hongkong and as diehard influences had been steadily in the ascendant since the beginning of the year the Foreign Office capitulated and made the demand. An explanation, however, is not an excuse. In any case the question whether this territory was in fact necessary for the defence of Hongkong was 90 per cent a political question and only 10 per cent a military question. Kowloon is an example of the discredit that commonly results when a government allows a political question to be decided on military grounds. It was, on a much smaller scale, the same kind of error that the Tzar made when he decided against the advice of Witte and Lamsdorff to seize Port Arthur.

The disputes over railway and other concessions continued during 1898, but in the following year the storms began to die down. British interests had built on behalf of the Chinese Government the railways in North China and had received the contract to continue them north of the Great Wall at Shanhaikuan into Manchuria. This had caused the most violent dispute of all with Russia, who claimed that under a promise made in 1897 no contracts for railways in Manchuria should be awarded to any but Russian interests. Lord Salisbury maintained a firm attitude and Russia eventually gave way, but in order to avoid such disputes in future it was agreed by an exchange of notes dated April 28th, 1899, that the British Government would not support British interests seeking railway concessions north of the Great Wall and Russia would not support Russian interests seeking railway concessions in the Yangtse valley.

Commercial interests in China were beginning to realize that everybody stood to lose when commercial competition became merged in national disputes conducted on the plane of high policy. Under British and German leadership they drew together in a movement that aimed at pooling and sharing concessions granted by the Chinese Government. This movement, which it was hoped would remove loans and concessions from the political sphere, where they constituted a danger to the sovereignty and integrity of China, culminated in the well-known consortium agreements between the banking interests of the various countries concerned. In China, however, the path is always strewn with pitfalls, and in the twentieth century these agreements came to be regarded with the deepest suspicion by Nationalist China. Group treatment seemed to

bear the stamp of inferior political status and, moreover, deprived the Chinese politician of the exciting pastime of playing off one nationality or one interest against another and so squeezing the best terms out of each!

Other influences also contributed towards bringing about a calmer atmosphere in 1899. China began to make the first fumbling and hesitating attempts to save herself from further dismemberment and humiliation. The Reform Decrees which poured out in profusion between June and September 1898, as described in Chapter I, were cut short by the Empress Dowager's *coup d'état* and the imprisonment of the unfortunate young Emperor. They were a pathetic failure, but they were the beginning of the nationalist movement which grew to formidable proportions in the twentieth century. In December 1898 the Chinese Government announced that no more railway or mining concessions would be granted, a secret edict of about the same time enjoined all viceroys and governors to resist by force the 'encroaching footsteps of the foreign aggressor', and in May 1899 the Chinese Government plucked up sufficient courage actually to refuse the Italian demand for a naval port on the coast of Chekiang — and nothing happened. The nationalist movement was primarily a reaction against the orgy of European aggression that had culminated in the seizure of ports and spheres of influence, but China was probably encouraged to lift up her head by the increase in British and American influence and the decline of France and Russia.

The Franco-Russian alliance had lost its original *élan*. Russia showed no disposition to come to France's aid in her difficulties in Europe and all through 1898 under the weight of the Dreyfus scandal France was sinking lower and lower. Zola's famous letter *J'accuse* was published in January 1898 and by the end of the year France was on the verge of civil war. Her long-planned attempt to wrest control of the upper Nile from England came to a humiliating end at Fashoda where the flag was finally hauled down in December. There seemed little prospect of getting any return for the many milliards sunk in the grandiose Franco-Russian plan for the domination of China, and France was in no mood to sink any more money in Russian securities. The French concessions extorted by force in south-west China were of little real value and Russia, under the influence of her diehards, had sacrificed the position she had won at Peking. Fear and suspicion took the place of the former trust and confidence, and

Russia was to find how formidable a weapon stonewalling and obstruction can be in Chinese hands. Six months after seizing Port Arthur the Tzar, in August 1898, without consulting his ally, issued the manifesto that led to the first Hague peace conference in May 1899. The impulse was no doubt both genuine and laudable, but such vacillation threw Franco-Russian policy badly out of gear.

England, on the other hand, by the end of 1898 was riding on the crest of a wave and her prestige, power and confidence were all at a high level. The policy of the Two Power Standard adopted in 1889 was now bearing fruit and the British navy with 34 sixteen-knot battleships less than ten years old was four times as strong as that of France and stronger than the combined navies of all Europe. In the advance up the Nile and the campaign in the Soudan British arms achieved a series of brilliant successes culminating in the surrender of France at Fashoda. It was during 1898 also that America began to make her influence felt in world affairs in general and in the Far East in particular. For some years a wave of imperialism, for which the writings of Mahan were partly responsible, had been sweeping over America, and when the war with Spain broke out in May 1898 and the real affection felt by the people of England for their kinsfolk in America was made manifest, imperialism became blended with something very like admiration for Great Britain and the relations between both the people and the Governments of the two countries became more cordial and friendly than they had ever been before.

In the Far East there has always been a very close resemblance between the attitudes adopted by America and Great Britain. In particular they have both felt the same affection for the Chinese people and the same desire to help China maintain her independence, put her house in order and achieve stability and prosperity. It was not possible, however, to prevent the kind of encroachments on China's integrity that took place in 1897 and 1898 without being prepared to go to war, and the first of the many objections to adopting such a course was that the threat to China's integrity arose as much from her internal decay as from aggression from without. No responsible statesman in either England or America was prepared to plunge his country into war in such a cause and in both countries, therefore, leased territories, naval ports and spheres of influence were

accepted as existing facts. If, however, it was admitted that in a given area one country had prior rights over the others this necessarily involved a partial abandonment of the principle of the open door and equal opportunity which had been established by the action of Great Britain and China in 1842. When Lord Salisbury, on March 8th, 1898, inquired whether the United States would co-operate to prevent any restrictions on the freedom of commerce, the wording of the note suggests that his aim was to confine the prior rights enjoyed in spheres of influence to railway and mining enterprises only and to maintain the open door and equality of opportunity for all the ordinary operations of commerce. The American Government replied that as American commerce did not seem to be menaced they preferred to avoid 'interference or connection with European complications'. John Hay, however, who was then Ambassador in London, was disposed to co-operate with England and when shortly afterwards he became Secretary of State under President Mackinley, and found himself subject to the same kind of pressure from American commercial interests anxious about the potentialities of the China trade as had been brought to bear by similar British interests on the Foreign Office in London, he decided to obtain assurances from the various Powers concerned that the open door, in the modified sense referred to above, would be respected by them in China. The complications of American domestic politics, however, are such that in order to obtain the President's consent to such a move it was necessary to make it appear that this was not the adoption of a policy advocated by England — 'any leaning toward England' said Mr. Rockhill 'might lose the President his nomination'. It had to be a 100 per cent American policy. A memorandum was therefore specially prepared which explained 'that the policy was not a British one—that the British had sinned against the "Open Door Policy" as much if not more than the others', and when the President had been thus convinced John Hay proceeded to address notes to Great Britain, Russia, Germany, France, Italy and Japan in which he asked for assurances that in all existing or future spheres of influence the Chinese Government treaty tariff would continue to be levied and that there would be no discrimination as regards harbour dues or 'railroad charges over lines built, controlled or operated within its sphere'.

These have become famous in history as the Open Door Notes, and it

has become an article of faith with all good Americans ever since that the policy of the open door in China is a purely American idea and that its adoption was secured by John Hay, who had thereby saved China from dismemberment. When President Roosevelt, in his message to Congress of December 15th, 1941, referred to the 'scramble for concessions' in China at the end of the nineteenth century, and said 'It was then that the principle of the "open door" was laid down', he was merely repeating what is said in most American and English textbooks on the subject. The truth, of course, is that the notes admitted a very considerable derogation from the principles of the open door and the integrity of China which had been laid down nearly sixty years earlier. No illusions were entertained by John Hay's friends who congratulated him because he had 'secured written pledges from the Great Powers of our treaty rights with China, good in the event of complete partition'. As so often happens, however, in America the notes were dramatized in the public imagination and a general impression was created that the open door in China was part of the public law of the Far East and was backed by America. This myth, unlike some other myths in Far Eastern history, has been of enormous value, for Americans defended the open door with far greater ardour than they would have displayed in merely following a British lead; and this did much at the Washington Conference twenty-two years later to facilitate the abolition of spheres of influence and the restoration of the full principle of the open and equal opportunity combined with respect for the sovereignty and integrity of China.

## CHAPTER VIII

### BIRMINGHAM AND SPLENDID ISOLATION

THE seizure of Kiaochow and Port Arthur focused attention in England for a time on the Far East and was the cause of an unfortunate and most ill-advised incursion by Mr. Joseph Chamberlain into the field of foreign affairs. The Government that came into power in June 1895 was one of the strongest administrations that ever held office in this country but it suffered under the grave disability that, as the Kaiser from time to time pointed out, it had two heads. It was a coalition of Conservatives, and Liberal Unionists and the latter group, though much the smaller, contained many more men of outstanding ability than the former. By far the ablest and most powerful of these was Joseph Chamberlain who in addition enjoyed immense popularity in the country and possessed the gift denied to his Conservative colleagues of appealing to the heart of the people at large. The state of the political parties, however, was such that he was debarred from being either Premier or even Leader in the House of Commons, and it speaks volumes for the tact of Salisbury and Balfour and the high character of all three that they were able over a long period to work harmoniously together and, with one fatal exception, with a unity of purpose which German statesmen, with their usual obtuseness, were quite incapable of understanding. As is of course well known Chamberlain chose the comparatively humble post of Secretary of State for the Colonies, and while all that his admirers have said is true about the new spirit that he breathed into the conduct of the affairs of that Department, the choice was not that of a statesman inspired by high ideals but of a shrewd and calculating politician. The flood-tide of imperialism reached its highest point in the decade from Salisbury's administration in 1895 to Campbell-Bannerman's administration in 1905 — or, as it might be called, the decade from the Sino-Japanese War to the Russo-Japanese War. Imperialism became immensely popular with the masses and Chamberlain sensed the curious fact that the socialist agitation of the previous decade died away in proportion as enthusiasm for empire and the white man's burden grew.

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He might have chosen to nurse the socialist movement through this temporary phase of apathy and give the Government a lead, which it must have followed, in the direction of a bold policy of social reform. Had he done so he would have left a greater name in history and succeeding generations would not have had to contemplate the train of disaster which he left behind. He conceived, however, that the role of the militant imperialist offered better chances for a brilliant career. 'Defy Russia, humiliate France, crush the Boers, that was the way to win a brilliant reputation at home and abroad!' It was in many ways an unfortunate choice. The beginnings of real social reform in England had to be postponed to a later and more inauspicious moment when the storm clouds were already gathering over Europe and the follies of those who succeeded Lord Salisbury in the leadership of the Tory party had brought England almost to the verge of civil war. Moreover during the last decade of the nineteenth century colonial affairs were the cause of violent international disputes and colonial and foreign policy were closely interlocked. Usually there was excellent team work in choosing the foreign policy best suited to colonial needs, but this contact with foreign affairs sometimes caused Chamberlain to adopt on the spur of the moment strong views on foreign policy, which had no solid foundation in knowledge or experience but which nevertheless he attempted to carry into execution. He never realized his own ignorance both of foreign affairs and of the delicate technique required for the conduct of foreign policy. Still more disastrous was his failure to appreciate, even after many setbacks, the harm that resulted from conducting in public a foreign policy of his own that was not the policy of the Foreign Secretary or of the Cabinet as a whole. As Professor Langer says, 'The Colonial Secretary was by nature a business man. He had no professional training as a diplomat and was apt to approach problems of international relations too directly, too bluntly, and rather with the idea that anything could be had for a price'.

At the beginning of 1898 Mr. Chamberlain was seized with panic over the supposed threat to British interests involved in Russia's advance to Port Arthur and determined, *more suo*, to take the matter into his own hands. Lord Salisbury left England for a month's holiday on the Continent on March 28th and on the next day, March 29th, Mr. Chamberlain



had an interview with Count Hatzfeldt, the German Ambassador, in which he made an offer of a defensive alliance between Germany and Great Britain. According to Chamberlain's own memorandum, 'the following suggestions were evolved. That an alliance might be established by Treaty or Agreement between Germany and Great Britain for a term of years. That it should be of a defensive character based upon a mutual understanding as to policy in China and elsewhere'. According to Hatzfeldt, Chamberlain's idea was, 'If you now stand on England's side England will stand on your side if Germany is attacked'. In a further interview on April 1st, Mr. Chamberlain explained to Count Hatzfeldt that he thought the country would accept a 'change of policy which would give us an ally in presence of a combination of other states'. The obligations of the alliance would be reciprocal, namely, England would come to the assistance of Germany if attacked by Russia and the main object of it would be to adopt an agreed policy in China which would check any further Russian encroachment. Russia might keep what she had got but the rest of China would be under joint Anglo-German protection. Germany would 'protect' Shantung and the provinces of the Hinterland, England the central and southern provinces; each country 'would establish, in the name and on behalf of China, such control over the financial administration as would secure sufficient funds to provide an army' under German and British officers respectively so that any future Russian aggression would 'confront not only a war with two great European Powers but also the defensive forces of China organized and led by European officers'.

It is necessary to emphasize the fact that this fantastic idea was Mr. Chamberlain's alone. Salisbury knew nothing about it and Chamberlain had not discussed it with Balfour — who had been left in charge of the Foreign Office — or with any other of his colleagues in the Cabinet. His light hearted undertaking to defend Germany's eastern frontier against a possible attack by Russia was contrary to the policy Great Britain had consistently followed for many years. Before the rivalries of the Powers had extended to the Far East, Germany was constantly trying to inveigle England into joining the Triple Alliance with the main object of isolating France and rendering less possible a war of revenge for the recovery of Alsace-Lorraine. The Kaiser and the German Foreign Office never lost an

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opportunity of impressing upon British statesmen the dangers of isolation, but Salisbury — perhaps the most sagacious Foreign Minister we have ever had — steadfastly refused to fall into any such trap because, as he pointed out, 'isolation is a much less danger than the danger of being dragged into wars which do not concern us'. There has never been a period more crowded with dangerous crises than the one from the end of the Sino-Japanese War (April 1895) to the end of the Boer War (May 31st, 1902) and historians are fond of pointing out that England, remaining isolated outside the Triple Alliance and the Dual Alliance, was liable to be subjected to pressure in any particular situation by a combination of members of both these groups. The facts, however, show that the members of each of the two alliances into which Europe was grouped frequently failed to come to their partner's assistance even in circumstances which the alliance was expressly designed to meet; on the very few occasions when they presented a united front against England it was merely a transient combination to achieve some quite ephemeral purpose; it caused a certain amount of inconvenience and embarrassment but never once amounted to a danger beyond the power of diplomacy to avert. It was in the highest degree improbable that the Powers composing these two groups could in the first place agree upon, and in the second place remain resolutely and loyally united in the determination to carry out, so desperate and uncertain an enterprise as a joint onslaught upon Great Britain. Even in the darkest days of the Boer War European intervention was not a serious danger. Between 1885 and 1900 the size of the British Empire increased by one third and during all the years when Chamberlain was drawing lurid pictures of the dangers to which England was exposed his theories were, as happened more than once in the course of his career, contradicted by the plain facts of the case. In the struggles over the carving up of Africa England did not come off second best; no important British interest was sacrificed and all the major objects of British policy were attained; in the Near East the failures were the failures of the Concert of Europe and neither British interests nor British prestige suffered damage; and in the Far East Salisbury, by his usual flair for concentrating on essentials and his usual skilful combination of firmness and pliancy, had secured certain objectives which guaranteed that the important British interests concerned would be firmly maintained. The French menace in

the south-west had without much difficulty been neutralized, the Franco-Russian scheme to secure political domination by means of foreign-owned railways running simultaneously from north and south into the heart of China had been checkmated, and the danger that British influence would be ousted from the Customs Administration and British interests from the Yangtse valley had been completely parried. These results had been achieved by insisting upon the principle of the open door and equal opportunity, and, in the case of the Yangtse valley and adjoining provinces, by an agreement that this region — the exact extent of which the British Government steadily refused to allow to be defined — should never fall under the domination or become the sphere of influence of any Power.

It must have caused considerable dismay in the Foreign Office when they learned that, within two months of the making of that agreement, a proposal had been made to the German Ambassador that England and Germany should enter into an alliance for the purpose of partitioning China, but in view of Chamberlain's position in the Government, the situation was one that had to be handled with caution. Mr. Balfour tactfully explained to the German Ambassador that Mr. Chamberlain's ideas on foreign policy should not be taken too seriously, and he tried to dilute the idea of an alliance to such an extent as to make it innocuous. If an alliance is widened until it includes everybody then no one can be threatened by it. Mr. Balfour accordingly suggested in his speech in the House of Commons on April 5th that a time might come when the Great Powers primarily interested in the commerce of the world might 'feel that their interests draw them together and require them to join an alliance which no man can resist for the purpose of seeing that China shall not fall a prey to any exclusive interest'. This was a direct rejection of the idea of partition, and Sir Edward Grey proceeded to dot the i's by suggesting that these Powers might comprise Russia, France, Germany, the United States, Japan and England — a really remarkable forecast of what was actually achieved in the signature of the Nine Power Treaty at Washington some twenty-three years later. Lord Salisbury was informed about Chamberlain's unauthorized negotiations on his return to London on April 29th, and a few days later on May 4th in a speech at the Albert Hall he made it clear that the fears about Russia and Port Arthur had been absurdly exaggerated, that there was no threat to British interests which

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we were not perfectly capable of meeting, and that there was no case at all for abandoning splendid isolation.

It is perhaps hardly necessary to demonstrate that if the Germans had accepted the alliance offered by Chamberlain and if the British Government had adopted the policy which was the basis of it, no more certain means could have been found of ruining the whole British position in China, of losing the respect and confidence of the United States of America, and of destroying any possibility of friendly American co-operation in future. Fortunately there was no possibility that the British Government could adopt the policy suggested by Chamberlain for their feet were firmly planted in the path that led ultimately to the Washington conference; and, strangely enough, it was equally impossible for the German Government either to accept the alliance or adopt the policy. As recently as January 1896, a few days after the Kruger telegram, Count Hatzfeldt had pressed Salisbury to join the Triple Alliance and had asked for a secret engagement signed by Salisbury and three or four of his colleagues. What advantage England would have gained from such an arrangement is not clear. We could already count on Germany's support in Egypt, not because Germany was friendly, but because it suited Germany to foment hostility between France and England and an alliance would have increased rather than diminished Germany's appetite for graceful concessions in the colonial field. The gain to Germany, on the other hand, would have been the complete isolation of France and the help of England if Germany got drawn into war in eastern Europe. Since 1895, however, the situation had changed. Russia was pushing on in Manchuria, Korea and North China, and Germany, having encouraged Russia to plunge into Far Eastern adventures and, having promised to guard her rear in Europe if she did so, had seized the opportunity to strengthen her own position in Constantinople and launch the Baghdad railway scheme which was designed to throw a belt of German influence east and west athwart the line of Russian expansion north to south. It was childish to suppose that Germany would abandon this tremendous scheme and reverse her policy towards Russia in the Far East in order to help England maintain her interests in the Yangtse valley. Moreover, it had now become doubtful whether Germany even wanted friendly relations with England. The Kaiser and Admiral Tirpitz had definitely embarked on the policy of

building a great fleet which should one day dispute sea power with England. The Navy Law of April 1898 authorized the increase of the German navy in the course of six years to nineteen battleships, twelve large cruisers and thirty small cruisers from the existing modest totals of seven, two and seven respectively, and the necessary support for so vast an expenditure could only be obtained by industriously propagating the myth of an unfriendly and overbearing England. Accordingly when Chamberlain made his sudden proposal for an alliance the German Government, when they had recovered from their first incredulity and surprise, decided that the proposal must be politely rejected.

In the whole cavalcade of personalities that march through the pages of the post-war collections of documents Eckhardstein, Anglophil though he was, stands revealed as the greatest liar of them all. At this time he was First Secretary at the German Embassy in London and he did his best to confuse a simple issue by lying to the Kaiser about the views held in London and lying to Chamberlain about the views held by the Kaiser. The conversations that Chamberlain had had with the German Ambassador in March and April, and the reactions of Salisbury and Balfour to his proposals, should have convinced any normal person that his ideas about China were very wide of the mark and that the proposed alliance with Germany was stillborn. Unfortunately opposition seemed to have the effect of throwing him a little off his balance. Count Hatzfeldt had reported the impression made on him by Chamberlain in the course of these discussions: 'In natural intelligence as in energy and great parliamentary skill he assuredly does not fail, but in respect to foreign policy he makes on me the impression of a raw beginner who follows the dictates of his personal vanity, taking no sufficient account of consequences, in what he does and says.' Chamberlain now proceeded to justify this unflattering estimate. Nine days after Salisbury's speech at the Guildhall, Chamberlain, on May 13th, 1898, addressed an audience at Birmingham in a speech which arouses almost as much astonishment and distress to-day as it did when it was delivered over forty years ago. The speech is chiefly remembered as the 'Long Spoon' speech because in referring to Russia he said, 'Who sups with the devil must have a very long spoon'. This was bad enough for, whatever the merits of the particular case may be, flinging public insults at a foreign country degrades foreign affairs to a level at which the orderly

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conduct of international affairs becomes impossible; but the main object of the speech was undoubtedly to arouse public opinion against the foreign policy of Lord Salisbury and force the Government to adopt his own proposals for China and the German alliance. Public opinion, instead of being converted, was shocked by the hysterical exaggerations of the speech, by the humiliating suggestions which it contained and by the impropriety of the whole proceeding. Lord Salisbury had declared that the situation gave no cause for alarm and that our interests in China were not in serious danger. Chamberlain now declared that the danger was as great as in the time 'when the great Napoleon laid an interdict upon our trade'. The Triple Alliance and the Dual Alliance might combine to destroy us, and to save ourselves from this fate we must call to our aid first the Empire and secondly the United States of America. He then went on to suggest that it might be worth while getting into a war, for 'even war itself would be cheaply purchased if in a great and noble cause the Stars and Stripes and the Union Jack should wave together over an Anglo-Saxon Alliance'.

This passage in the speech was of course particularly well calculated to convince Americans of the wisdom of Washington's warning against getting entangled in the affairs of Europe, especially as in the next passage Chamberlain proceeded to indicate that the war he contemplated was a war against Russia to save British interests in China. 'Our interests in China are so great, our proportion of the trade is so enormous, and the potentialities of that trade are so gigantic that I feel that no more vital question has ever been presented for the decision of a government and the decision of a nation.' We could not win such a war, however, 'unless we are allied to some great military power'—a phrase which was, of course, interpreted as meaning Germany.

This speech challenges comparison with the hysterical and irresponsible utterances of the Kaiser which introduced such an incalculable factor into the politics of this period, and from now on British policy, like that of some European states, was at the mercy of the personal likes and dislikes, the obsessions and prejudices, of an individual statesman. Public opinion all over the world received a shock and the feeling of humiliation in England was expressed by Mr. Asquith in Parliament a few weeks later: 'What have we done, what have the people of Great Britain done and suffered that, after bearing, as we have done for nearly fifty years, the ever-

growing weight of empire on our own unaided shoulders, without finding the burden too heavy for the courage, the enterprise, the self-reliance of our people, what have we done or suffered that we are now to go touting for allies in the highways and by-ways of Europe? Nevertheless, eighteen months later at Leicester on November 30th, 1899, Mr. Chamberlain made another speech which did more harm and raised an even greater storm of criticism than the 'Long Spoon' speech at Birmingham.

Much had happened in the interval. The long-drawn-out disputes with France on both the Nile and the Niger had been settled, the Soudan had been reconquered, France had withdrawn from Fashoda and an agreement with Germany about the future of the Portuguese colonies — whatever else might be said about it — had at any rate the merit of putting an end to German intrigues with the Boer republics. In the Far East also Lord Salisbury's estimate of the position had been proved by events to be correct and the wisdom of his refusal to yield to panic was generally recognized. The Franco-Russian combination had visibly weakened and the British had encountered no insuperable difficulties in maintaining and improving their position. The dawn of a nationalist movement in China, the defeat of Spain and the emergence of America as a World Power, the genuinely friendly attitude now growing up in the United States and John Hay's Open Door notes all brought further reassurance that future developments in the Far East would favour the traditional British policy of the open door and equal opportunity. On the other hand the Boer War had broken out in October 1899, and the press of every country in Europe was filled with violent and often scurrilous and filthy abuse of England. Many would no doubt have liked to canalize this hate into a concerted movement against England, but the European combination, with which Chamberlain had tried to frighten audiences in England, never looked like materializing. On the contrary the Kaiser selected this moment — November 20th to 28th — to pay a visit to Queen Victoria at Windsor. He was accompanied by the Chancellor, Bülow, who had many conversations with Chamberlain, but unfortunately Salisbury, owing to the death of Lady Salisbury, was absent. Chamberlain made no note of these conversations and the only record of them is in the German documents. It is clear, however, that he put forward again his proposal for an alliance based upon an agreed policy of checking the Russian advance in China.

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It is astonishing that Chamberlain should have missed the significance not only of developments in the Far East but also of the progress of German plans. The projected German railways in the Turkish Empire that would cut Russia off from the Mediterranean were beginning to materialize, the concession for the railway to Basra and Baghdad was actually signed on November 25th while the Kaiser was at Windsor and an intensive campaign was preparing public opinion in Germany for the second German Naval Bill which would double the strength of the German navy in the next twenty years. In these circumstances there may have been no great harm in discussing in private an Anglo-German alliance, but it was certainly a waste of time, for it was not possible for Germany to make common cause with England against Russia. The most that Chamberlain's overtures might be expected to elicit was an amiable expression of desire for good relations between the two countries. The Kaiser's position was clear and simple enough. As the French Ambassador at Berlin at this very moment noted, he did not want to bind himself on any side but to be on good terms with everybody. His friendly visit to Windsor was a courageous act, and coming at a time when opinion in all the countries of Europe, and particularly Germany, was so hostile it was greatly appreciated in England. But Chamberlain, with his genius for doing the wrong thing in the worst possible way, succeeded in destroying the good effect of the visit and turning it into an occasion for starting a public vendetta with Bülow, the echoes of which were heard in Europe for several years after. On November 30th, the day after the Kaiser had returned to Germany, Chamberlain made a speech at Leicester in which, after administering a rebuke to France, he advocated an alliance between England and Germany and then went on to suggest that these two might be joined by America, thus forming 'a new Triple Alliance between the Teutonic race and the two great branches of the Anglo-Saxon race'.

The French Press was as rabid as the Russian Press had been eighteen months before over the 'Long Spoon' speech, the German Press raved — 'The bloodhound of the Transvaal is upon us; he would fain tear the Triple Alliance in pieces, and exploit German friendship in Paris' — and in America, where affection for England had begun to cool after the beginning of the Boer War, comment was also hostile. In fact, as Mr. Chamberlain's biographer admits, 'abroad condemnation was universal even in



Germany and the United States', and at home '*The Times*, exceptionally informed about the realities of German feeling and policy, was icy in rebuke', while 'the opposition journals satirized the Colonial Secretary's flamboyant intrusion into foreign affairs'. Mr. Chamberlain's defence was that Bülow had asked him to point out that 'the interests of the three countries were identical in regard to many questions', but as Professor Langer observes, this 'could not reasonably have been interpreted as an invitation to say what Chamberlain said in his Leicester speech'. It was embarrassing to both the Kaiser and Bülow 'to be publicly embraced by Chamberlain at that moment in the face of German opinion'. The upshot accordingly was that in his speech in the Reichstag a fortnight later Bülow administered something very like a slap in the face to Chamberlain.

In the latter half of January 1901 Queen Victoria lay dying, the Kaiser paid another visit to England of a fortnight's duration and Chamberlain, undeterred by his previous failures, again pressed his views on the subject of an Anglo-German alliance. In the fourteen months that had elapsed since the Kaiser's previous visit South Africa and the Far East had occupied the centre of the stage. During the summer of 1900 the Boxer outbreak and the siege of the Legations in Peking had given rise to many problems: the extremists in St. Petersburg had seized the opportunity to take military possession of Manchuria, and Japan felt that she was threatened as much as China, for the next step might be Korea, and if Russia went into Korea Japan would have to fight. Germany's interests were in general on the same side as Great Britain's except that she still made it clear that she would not oppose Russia in Manchuria. The Anglo-German alliance therefore still lacked the basis postulated by Chamberlain. In South Africa the tide had turned in our favour after the 'Black Week' of December 1899, and Lord Roberts's victories in 1900 inspired Chamberlain with the idea of holding a Khaki election — the first in our history. The Conservatives and Liberal Unionists duly returned to power in October 1900, and Salisbury, now ageing fast, retained the premiership but handed over the Foreign Office to Lord Lansdowne.

After the conversations with the Kaiser in January, desultory negotiations over the proposed alliance continued during the rest of the year until they finally petered out in a violent public quarrel between Chamberlain and Bülow in January 1902. The negotiations are not worth

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following in any detail. Eckhardstein followed his usual fatuous tactics of lying to each side; he made each side believe that the other had taken the initiative and would communicate its views, so that each side was awaiting a memorandum that never arrived. This comedy of errors, however, had one valuable result, for the Foreign Office now examined objectively the problem of an Anglo-German alliance and a memorandum on the subject was prepared by Lord Sanderson at Lord Lansdowne's request. The Sanderson draft pointed out that qualifications would be necessary to prevent either side being dragged into a quarrel of which the country did not approve. We would not take advantage of these qualifications to leave the other party in the lurch but the Germans would. 'Our public opinion would not allow it — theirs would.' But apart from this, fundamentally there was no case for a general defensive alliance: 'However the Convention may be worded it seems to me that it will practically amount to a guarantee to Germany of the Provinces conquered from France, and that is the way in which the French will look at it. I do not see exactly what Germany will guarantee us.'

When Salisbury returned from his holiday in May 1901 the whole matter was submitted to him and he wrote a memorandum which is one of the most remarkable state papers of modern times. It has often been quoted before but it is worth quoting again.

Count Hatzfeldt speaks of our 'isolation' as constituting a serious danger for us. Have we ever felt that danger practically? If we had succumbed in the Revolutionary war, our fall would not have been due to our isolation. We had many allies, but they would not have saved us if the French Emperor had been able to command the Channel. Except during his reign we have never been in danger; and therefore it is impossible for us to judge whether the 'isolation' under which we are supposed to suffer does or does not contain any element of peril. It would hardly be wise to incur novel and most onerous obligations in order to guard against a danger in whose existence we have no historical reason for believing.

But though the proposed arrangement, even from this point of view, does not seem to be admissible, these are not by any means the weightiest objections that can be urged against it. The fatal

circumstance is that neither we nor the Germans are competent to make the suggested promises. The British Government cannot undertake to declare war for any purpose unless it is a purpose of which the electors of this country would approve. If the Government promised to declare war for an object which did not commend itself to public opinion, the promise would be repudiated and the Government would be turned out. I do not see how, in common honesty, we could invite other nations to rely on our aid in a struggle, which must be formidable and probably supreme, when we have no means of knowing what may be the humour of our people in circumstances which cannot be foreseen. We might, to some extent, divest ourselves of the full responsibility of such a step, by laying our agreement with the Triple Alliance before Parliament as soon as it is concluded. But there are very grave objections to such a course, and I do not understand it to be recommended by the German Ambassador.

The impropriety of attempting to determine by a *secret* contract the future conduct of a Representative Assembly upon an issue of peace or war would apply to German policy as much as to English, only that the German Parliament would probably pay more deference to the opinion of their executive than would be done by the English Parliament. But a promise of defensive alliance with England would excite bitter murmurs in every rank of German society — if we may trust the indications of German sentiment, which we have had an opportunity of witnessing during the last two years.

It would not be safe to stake any important national interest upon the fidelity with which, in case of national exigency, either country could be trusted to fulfil the obligations of the Alliance, if the agreement had been concluded without the assent of its Parliament.

Several times during the last sixteen years Count Hatzfeldt has tried to elicit from me in conversations some opinion as to the probable conduct of England if Germany or Italy were involved in war with France. I have always replied that no English Minister could venture on such a forecast. The course of the English Government in such a crisis must depend on the view taken by public opinion in this country, and public opinion would be largely, if not exclusively, governed by the nature of the *casus belli*.

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The real point of this memorandum is often missed because the particular proposal against which the argument was directed was that the Government should conclude a secret treaty of alliance which would not be laid before Parliament or disclosed until the *casus foederis* arose. Most commentators dwell on this constitutional aspect of the question, but the constitutional issue is of minor importance compared with the more fundamental question whether any British Government should undertake to declare war in some future set of circumstances which cannot be foreseen. Submitting the agreement to Parliament might relieve the Cabinet of the day of some small part of their responsibility, but it would not make the act any less unwise or dangerous. A defensive alliance such as that made with Japan, or such as that which we blindly allowed ourselves to be drawn into with France, involves this country in the dangers and discredit arising from the ambitions, crimes and follies of other countries over whose foreign policy we can exercise no control.

Lord Salisbury's views were shared by the permanent staff at the Foreign Office. Nevertheless, eight months later 'Splendid isolation' had been abandoned and a bewildered public learned from statements made in Parliament that the Government, refusing to be swayed by 'musty formulas and old-fashioned superstitions', had concluded an alliance with Japan on January 30th, 1902.

Writers who prefer the primrose path of rationalization to research explain that the abandonment of splendid isolation in favour of a policy of alliances was in accordance with the tradition of the balance of power. England threw her weight on the weaker side in order to restore the balance. The facts do not bear out this theory. Those who eventually overthrew Lord Salisbury's policy — the policy of Canning, Palmerston, Disraeli and Gladstone — were not seeking to strengthen a weak ally in order to restore the balance. They were searching for the strongest possible ally they could find because they wanted the help of an ally to defend the British Empire. Their first choice was Germany, and Chamberlain for years entertained the naive belief that an alliance with Germany was the cheap and easy road to security. When Germany rejected his overtures with contempt he turned to Japan and then to France because any ally was better than none.

## CHAPTER IX

### A LANDMARK OF DISASTER

THE real author of the Anglo-Japanese alliance was Joseph Chamberlain. It is one of the great turning points in history — a landmark of disaster not only for Great Britain but for the world at large, for it was then that the current was diverted into the channel that led to the war of 1914, the war of 1939 and the attack on Pearl Harbour in 1941. The alliance was the result of the fatal error which had crept into the political thinking of the men who succeeded Salisbury in the direction of the nation's affairs. For five years Chamberlain had pressed upon his colleagues policies based upon the assumption that England possessed neither the courage nor the resources to defend herself or her Empire and that she must, therefore, in Asquith's biting phrase, go into the highways and by-ways and tout for an ally. Salisbury resisted until his grip on foreign policy was relaxed by age and infirmity. He was succeeded by Lord Lansdowne whom Halevy describes as 'a man without strong personality, ready to accept any suggestion, incapable of initiating any policy of his own'. Lansdowne succumbed to the forceful personality of Chamberlain and discarded the 'musty formulas' of his predecessor.

Chamberlain was the typical business man turned statesman. He brought to the conduct of both imperial and foreign affairs the methods and ideas that are appropriate to the successful management of a great money-making concern. He thought that the Empire ought to be run on orderly, businesslike lines. Imperial federation seemed to him to be the obvious and sensible way in which the empire ought to be organized but the measures he adopted to achieve unity had the opposite effect to that which he intended. The kind of unity of which Chamberlain and many others dreamed was the unity that would be achieved by some central body — a Federal Council — which would determine policy for the whole Empire and decide how the necessary power to make that policy effective should be provided. But in all the Colonies, which we now call Dominions, there was a growing sense of nationhood. What

they most desired was the status of completely sovereign states and they had no mind to surrender any portion of the sovereignty which they already possessed to any central body. This avenue being closed Mr. Chamberlain turned to trade relations as a possible means of securing imperial unity, but here again the colonies, each committed to its own system of protection, refused to consider any scheme for an Imperial Zollverein — free trade within the Empire with duties everywhere on foreign products. Thus by a process of elimination the protagonists of empire arrived at the device of imperial preference, and this did present attractions to the colonies, for it held out the prospect of access for their goods on preferential terms to the almost unlimited market of Great Britain. It was Mr. Chamberlain's habit, as many historians have observed, if one road was closed, immediately to stride down the next that might happen to be open, and now with his usual vigour he took up the idea of imperial preference. In 1865 a treaty had been made with the German Zollverein which prevented colonies charging higher duties on goods of German origin than on goods imported from Great Britain. This was abrogated in 1895 and Mr. Chamberlain thus entered on the fatal path that led by way of the tariff reform campaign of 1904 to the Ottawa Conference, imperial preference and the abandonment of free trade.

It is unfortunate that the mind of the great Chinese philosophers — the contemporaries of Socrates, Plato and Aristotle — have been and still remain a sealed book to British statesmen, for Chinese political thought, by its purity, moral elevation and harmony with nature, provides a sounder basis for action than the systems of the West. The philosopher Mencius, who flourished three hundred years before our era, warned his sovereign that he should not counsel from the standpoint of gain. 'When the sovereign and his ministers, the father and the son, the younger brother and the elder all abandon their relationships of love and propriety and consider only the gains involved no country can escape from perishing. Why counsel from the standpoint of gain?' Two thousand five hundred years later another great Chinese scholar, Liang Chi Chao, passionately opposed the idea that China should bargain with the Allies in the Great War for benefits in return for declaring war on Germany. 'International relations are not commercial connections. Why then

should we talk about exchange of privileges and rights?' But perhaps it was not necessary for British statesmen to go so far afield as China for elementary lessons in political morality. These Chinese philosophers would certainly have condemned the political thinking that eventually degraded British policy to the level of the Ottawa Conference, but they could hardly have used more trenchant language than our own Adam Smith: 'The sneaking arts of underling tradesmen are thus erected into political maxims for the conduct of a great Empire.' In a famous memorandum which has already been quoted in Chapter III, Eyre Crowe, the greatest of our Foreign Office officials as Salisbury was the greatest of our Foreign Secretaries, expounded the doctrine that the policy of an insular and naval state such as England must be so directed as to harmonize with the general desires and ideals common to all mankind and that it must be closely identified with the primary and vital interests of a majority, or as many as possible, of the other nations, for only so can the danger of being overthrown by a hostile combination be averted. When Chamberlain embarked upon a policy of imperial preference, which made it possible, for example, in later years to exclude Japanese piece goods from African colonies in order that the natives should be forced to buy the products of Lancashire—or none at all—he brought about a fundamental change in the attitude of other states towards the British Empire. England's possession of so many favoured portions of the globe was not resented so long as the goods and merchants of other countries had an equal chance with those of Great Britain; but when the prospect was opened up that foreign countries might be excluded from the benefits of the trade and produce of those places, the British Empire began to cease to wear the aspect of an institution that all were interested in maintaining, and a strong weapon was placed in the hands of those Germans who wanted to build a rival navy to Great Britain's, for the merchants and industrialists began to think that the Kaiser might be right when he declared that only so could Germany win her place in the sun.

Distrust of British imperialism and the fear that the British Empire might be a menace to others were greatly increased by the war against the South African Republics. No useful purpose would be served by raking over the ashes of the controversies that have clustered round that

rather unsavoury story. No one believes that Chamberlain was privy to the Jameson raid. During the critical period just before the war, in strange contrast to his methods in foreign affairs, he showed extraordinary patience, skill and wisdom in negotiation, and it seems probable that, with Milner at Capetown, it was beyond the scope of human wisdom to avert the war. Chamberlain's share of responsibility is limited to three points: he probably did what Theodore Roosevelt openly and exultantly did a few years later in the case of Panama, namely, foment a revolution in a little country that was standing in his way; with every appearance of acting under pressure he made a speech in Parliament exonerating Rhodes — the chief villain of the piece, and he failed to secure full disclosure of the facts before the Parliamentary Committee appointed to inquire into the circumstances of the Jameson raid. But when all allowances have been made the war did much damage to the moral position of Great Britain, for in the words of a not unfriendly critic, 'the whole diplomacy that led to the Boer War looked suspiciously like a flagrant attack upon two small states which were wanted for their mineral wealth'. These are factors that have to be taken into consideration by those who direct a country's policy.

In his speech at Birmingham on May 13th, 1898, advocating an alliance with Germany — the 'Long Spoon' speech — Chamberlain, as recorded above, drew a lurid picture of the dangers threatening England from a possible hostile combination. The way, of course, to meet such a danger was to make adequate naval and military preparations and at the same time so to direct the policy of the country as to prevent the combination materializing — and that is in effect the answer that Lord Salisbury gave. The doctrine that England could not defend herself without the help of an ally was, as we have seen in the last chapter, denounced by Asquith, and *The Times*, in its lofty way, explained that the speech was not to be taken as a cry for help — but that in effect is exactly what it was. Up to the last it never crossed Lord Salisbury's mind that, however great our isolation, the British navy would not be kept strong enough to cope with any task with which it might be faced. Even after the vicissitudes of recent years it is impossible to maintain that England was ever unable to provide the forces necessary for the security of her empire. If we have run into dangers it is not for lack of wealth or resources but for lack of resolution



to employ them. Chamberlain's cry for help, however, was repeated so often in the next few years that, by dint of iteration, the doctrine began to find acceptance; but once the old idea of self-reliance was discarded a landslide set in the full results of which only began to be revealed after Japan's entry into the war in December 1941.

After the siege of the Legations in 1900 England and Japan found that they had a common interest in getting Russia out of Manchuria, if possible, and in preventing her further encroachment southward. A general understanding to pursue a common policy in the Far East might well have met the case, but in the Japanese conversations, perhaps because they were taken up at the point where the German negotiations were dropped, an alliance seems to have been contemplated from the beginning. One of the stock objections to the Anglo-German alliance was that it might drag us into wars that did not concern us. In order to meet this objection Chamberlain had evolved the idea that if Germany were attacked by one Power she would fight alone, and that we would only come to her assistance if she were attacked by two Powers. Accordingly the conversations with Japan in October 1901 seem to have started on the basis that there must be an alliance, and that England must come to Japan's assistance if she were attacked by two Powers.

The Peking Legations were relieved in August 1900, and negotiations were begun soon after in Peking which resulted twelve months later in the final settlement between China and the Powers embodied in what is known as the Boxer Protocol of September 1901. The Russian attitude during these negotiations was very equivocal. Her troops were in occupation of the whole of Manchuria and some excitement was caused in January and February 1901, just at the time of the Kaiser's visit to London, by revelations in the Press of the demands that Russia was making on China. The Japanese, fearing that they might become involved in war with Russia, were anxious to obtain assurances of neutrality from other Powers, but the only action taken at this time consisted of warnings to China not to settle separately with Russia while negotiations with the other Powers were still in progress in Peking. It was noticeable, however, that there was much vacillation in Russian policy owing to the fact that the soberer elements in St. Petersburg — Witte and Lamsdorf — were opposed to the wild ideas of the extremists. The result was that when a

firm attitude was adopted—as in the case of the Peking-Tientsin-Shanhaikuan Railway, Russia generally wavered and backed down. By October 1901 Russia was ready to withdraw her troops from Manchuria on condition that railway concessions in Manchuria were reserved for Russians alone, but the Chinese, in whom the gambling instinct is very strong, hoped that the support of other Powers would enable them to get still better terms.

In Japan policy is decided by a group of powerful oligarchs not all of whom are necessarily members of the Government. These men had been anxiously discussing the alternative policies of reaching an agreement with Russia or securing the support of England against Russia. The two policies were, of course, mutually exclusive, but, characteristically, they decided to pursue both at the same time. Marquis Ito, who had resigned the premiership in June, made a trip to Europe in order to try and reach an understanding with Russia, while Hayashi, the Ambassador in London, was instructed to propose to Lansdowne an alliance which would assure either Japan or England of the support of her ally in the event of having to go to war with more than one Power in defence of her interests in the Far East. This was an absurdly one-sided proposal for, while there was a real danger that if Japan went to war she might be faced with more than one Power, as far as British interests in the Far East were concerned there was no reason at all, unless the whole Cabinet all suddenly became lunatics, why England should get involved in war with anybody. The influence of Chamberlain's ideas now, however, began to make itself felt. Hayashi's conversation with Lansdowne took place on October 16th. On October 25th Chamberlain made the speech at Edinburgh which started the public quarrel with Bülow, let loose a storm of hate and vituperation in the German Press, and finally killed the project of an alliance with Germany; but an alliance with Japan was better than having no ally at all, so to Japan the Government turned. On November 6th Lansdowne handed to the Japanese Ambassador the draft of an Anglo-Japanese alliance that had been approved by the Cabinet. The Government appear to have recognized the one-sided nature of the bargain proposed by Japan, and Lansdowne therefore pointed out that Japanese interests would suffer if Great Britain were overwhelmed by a combination of foreign Powers and that the alliance should therefore apply to any

quarrel, whether it originated in the Far East or elsewhere. Hayashi suggested as a compromise that Japan might undertake to defend British interests in India and this was accepted by Lansdowne! It is not surprising that the Japanese Government thought that England's attitude 'shows that she is in dire need, and she therefore wants to use us in order to make us bear some of her burdens'. Marquis Ito, who was actively pursuing the opposite policy of an agreement with Russia, was kept informed of the progress of the negotiations in London, and Lansdowne was kept waiting from November 6th to December 12th while the Japanese Government were trying to make up their minds which horse to ride.

On December 12th Hayashi handed a counterdraft to Lansdowne which rejected his previous proposal that the Treaty should cover India and insisted that it should apply to China and Korea only; it also rejected the British formula 'prevent the absorption of Korea by any foreign Power'. Japan was resolved to secure a free hand in Korea; she considered that England had no interests there worth mentioning and she was determined not to accept any formula which would give England, alongside of Japan, a position in Korea which she did not previously possess. The Cabinet, when they considered the Japanese draft on December 19th, were not enthusiastic, and Lansdowne was instructed to be firm; but if Lansdowne was firm Hayashi was adamant, and Lansdowne eventually agreed to a text which abandoned every one of the British stipulations and gave Japan exactly what she had originally demanded. 'Amendment followed amendment and proposal succeeded proposal over a period of weeks until a wording could be found which gave Japan what she wanted, while at the same time making the concession so unnoticeable that it would not arouse strong opposition in Parliament.' The Treaty, which was signed on January 30th, 1902, stated that England and Japan were equally interested in maintaining the independence and integrity of the Empire of China and the Empire of Korea and in securing equal opportunities in those countries for the commerce and interests of all nations. It bound each ally to come to the assistance of the other if attacked by more than one Power in defence of its interests in China or Korea, and the camouflage which disguised the free hand for Japan in Korea was a masterpiece of its kind. Article One of the Treaty is as follows:

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The High Contracting Parties, having mutually recognized the independence of China and Corea, declare themselves to be entirely uninfluenced by any aggressive tendencies in either country. Having in view, however, their special interests, of which those of Great Britain relate principally to China, while Japan, in addition to the interests which she possesses in China, is interested in a peculiar degree politically as well as commercially and industrially in Corea, the High Contracting Parties recognize that it will be admissible for either of them to take such measures as may be indispensable in order to safeguard those interests if threatened either by the action of any other Power, or by disturbances arising in China or Corea, and necessitating the intervention of either of the High Contracting Parties for the protection of the lives and property of its subjects.

At the time this Treaty was negotiated Russia was ready to sign an agreement with China under which Russian troops would be withdrawn, Chinese troops allowed to return and the Chinese Eastern Railway would be returned to China on the condition that railway and other concessions in Manchuria were granted in future to Russian subjects only. Marquis Ito was confident that Japan could reach a satisfactory agreement with Russia, and the negotiations which he was simultaneously conducting in St. Petersburg continued to make good progress down to the very day that the Anglo-Japanese alliance was signed. These considerations failed to carry weight with the British Government because they were obsessed with the idea that any ally on any terms was better than no ally at all. Delcasse, who was now Foreign Minister in France, feared that England might 'find the soldier that she needs in the Far East'. That, no doubt, was Lansdowne's aim, but he had been completely outmanoeuvred by Hayashi, and it was Japan that made use of British power for her own ends. The Treaty was a check to Russia in Manchuria, but Japan, entrenched in Korea, was at least as great a menace to British interests as Russia entrenched in Manchuria, and when Japan, a very few years later, became entrenched in Manchuria also the danger to the whole of the Far East was plain for all to see.

On January 30th, 1902, which by a curious coincidence is the day the Anglo-Japanese alliance was signed, Metternich, German Ambassador in

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London, reported to his Government that he had learned in the strictest confidence that negotiations were proceeding between Mr. Chamberlain and the French Ambassador for an all-round settlement of colonial questions. During all the years that he had been angling for a German alliance Chamberlain had constantly used the threat that if Germany refused England might join the French and Russian camp, but every German, from the Kaiser downward, had scoffed at the idea of any such development being possible. The public quarrel between Chamberlain and Bülow came to its unsavoury conclusion on January 8th, 1902, when Bülow practically endorsed the filthy language that had been used about the Colonial Secretary in the Reichstag. The deal with Germany was definitely off and Chamberlain immediately proposed to Cambon that they should try and negotiate a settlement of the many points of difference in the colonial field which had caused so much ill feeling between the two countries. French enthusiasm for the Russian alliance had waned with the discovery that it had failed either to gain anything of value in China or to bring much needed support to France in Europe. Chamberlain's invitation, therefore, was accepted, and the scope of the discussions was soon widened to include both Egypt and Morocco as well as the long string of minor colonial questions which were primarily Chamberlain's concern. Eventually the French were willing to trade their position in Egypt and on the Nile for a free hand in Morocco, and a comprehensive agreement disposing of all these questions was signed on April 7th, two months after the outbreak of war between Russia and Japan. It rendered another and a greater war — the war of 1914 — inevitable.

'Morocco', says Mr. Spender, 'had long been an object of desire to the French. Looking at the map they saw in their mind's eye a vast African Empire extending unbroken from their West African possessions along the south Mediterranean coast to the borders of Tripoli.' Control of, or a paramount influence over, Morocco would have meant a great accession of power for France, and everyone knew that, in accordance with the curious doctrine of the balance of power that dominated European relations from the wars of Napoleon to the Great War, no state could gain such an accession of power without according 'compensation' to other states who felt that their relative position had been weakened. The diplomacy of imperialism for the previous fifty years had consisted of

little else than sordid bargains of this kind. 'For years the casting vote of Britain had been the great prize of Europe', and when Lord Lansdowne signed an agreement promising that England would give diplomatic support to France in securing this great object of her ambition he gave away the prize to France in return for relief from embarrassments of a comparatively minor order. England had 'plunged into the heart of the European contention' and the truth of Lord Salisbury's doctrine that isolation was a far less danger than the danger of being dragged into other people's quarrels was quickly demonstrated. Less than two years after the signing of the agreement with France Sir Edward Grey, now Foreign Secretary in the Liberal Government that had just come into power, was obliged to assure the French Ambassador that 'if France were attacked by Germany, in consequence of an agreement which our predecessors had recently concluded with the French Government, public opinion in England would be strongly moved in favour of France'.

Knowing the character of the men who ruled Germany at that time, one could almost have predicted that what actually happened would in fact happen if France signed such an agreement with England without purchasing the assent of Germany first. Germany would try to weaken the entente or break it, and, if that failed, would resort to war at what she considered the most favourable moment in order to strike down France before she became too powerful, just as Japan, for the same reason, tried to strike down China in 1937. If the views of Schlieffen — the author of the Schlieffen plan — had prevailed the favourable moment would have been seized in 1905, when disaster had overtaken Russia in the Far East, and in that case the world war would have followed as hard upon the heels of the agreement with France as the Russo-Japanese War followed the alliance with Japan. That moment having been allowed to pass, the war had to be postponed until the Kiel canal had been widened, namely, until 1914.

On May 15th, 1903, almost exactly five years after his 'Long Spoon' speech, Chamberlain made another speech at Birmingham in which he threw over free trade and advocated a policy of Imperial Preference. In the previous year the fourth Colonial Conference had been held and Chamberlain — as well as many others — believed that the enthusiasm with which the colonies had shared the burden of the Boer War was a sign

that they might now be more ready to consider some form of organic unity within the Empire. The colonies, however, had faced great issues on the plane of world affairs, had reached their own decisions and had raised armies and sent them overseas to fight. They had had experience of power and responsibility and they were more than ever resolved to maintain their status as sovereign states. The only thing they showed any interest in at all was imperial preference, so Mr. Chamberlain decided to make that his ideal and try and persuade the Government and the country to abandon another of their great traditions. Free trade was a more formidable citadel to storm than splendid isolation, for whereas the latter had been destroyed almost in secret without the people realizing that any serious change was impending, free trade had to be attacked in full daylight in the open. The speech at Birmingham led to a split in the Government and Chamberlain's own resignation in September; after which he devoted himself to a great campaign in the country in favour of protection. As everyone knows, the campaign failed because the 'dying industries' refused to die and prospered exceedingly, while the rise of Germany as an industrial state, instead of ruining England, had provided her with her best customer. Chamberlain's campaign, however, like so many of his public utterances, did great harm in the field of foreign relations. An agitation over the naval question and the growing menace of the German fleet was being carried on at the same time as Chamberlain's campaign, in which he endeavoured to prove that German competition was ousting Great Britain from the markets of the world and that British trade and industry were being destroyed by Germany. Germany, as Mr. Spender points out, was constantly being presented as challenging both the sea power and the commerce of England and the same military language was used in both connections. British merchants who were competing with Germany never thought that their interests would be promoted by war, but German merchants, threatened with exclusion from the markets of the British Empire, were easily persuaded that trade rivalry had caused England to join the French side and that the Kaiser was right in calling for a navy strong enough to contest sea power with England. Mr. Chamberlain, if he had read the Chinese classics, might have remembered the warning of the Chinese philosopher that it is a mistake to attach wings to a tiger.

The simultaneous abandonment of splendid isolation and proposed



abandonment of free trade made the task of defending the British Empire doubly difficult. The interest felt by other countries in its continued existence was now diminished, and at the same time there was placed on our shoulders the additional burden of responsibility for the evil consequences of the policies pursued by our allies. The Government, however, still laboured under the delusion that the defence of British interests could, in part at any rate, be entrusted to our allies, and when the Admiralty, under Sir John Fisher, decided to concentrate naval strength in areas closer to the North Sea — a thoroughly sound conception the wisdom of which was demonstrated when war broke out in 1914 — the Mediterranean was abandoned to the French navy and the British battleships were withdrawn from the Far East. This was the first step downward in the primrose path that led the British people to the belief that no special exertions were necessary to defend the British Empire. The slogan in later years was that by joining the League of Nations we had placed the Pax Britannica in commission, and when at length it was realized to what dangerous lengths disarmament had been carried it was almost too late, for it was only after the collapse of France that the consequences of entrusting to other people areas vital for our own defence were revealed. The nation has now recovered its ancient courage and determination, but there are signs that this canker in our way of thinking has not yet been quite eradicated: there is still some disposition to believe that America or Russia or China will win the war for us, but unless it is we who win the war at least as much as those who are fighting on our side our position after victory has been won will not be a happy one.

The original treaty of alliance with Japan of 1902 was due to remain in force for five years, but it was replaced by a fresh agreement which was signed on August 12th, 1905, after it was certain that Japan had won the war. The treaty of peace was signed in September, and as this resulted in the complete withdrawal of Russia from South Manchuria an unsophisticated observer might well have thought that the policy of the alliance had been a brilliant success. If the British Government were ever of that opinion they soon had cause to change their mind. The Japanese immediately not only took over complete control of Korea but, with the silent and ruthless efficiency that has marked every step in their career of aggression and which is in marked contrast with the haphazard and vacil-



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lating methods of Russia, they set about establishing a political and economic stranglehold over south Manchuria. If the aim of the British Government had been to secure recognition of the open door and equal opportunity in Manchuria as being an integral part of the Chinese Empire the substitution of Japan for Russia had been a move in exactly the opposite direction. But as regards British relations with China and British relations with Canada and America, worse was yet to come.

Up to the end of the war America had been a warm supporter of Japan and had somewhat ostentatiously gone out of her way to give public recognition to the paramount position that Japan had secured in Korea. Almost the moment the war was over these feelings changed with dramatic suddenness, violent animosity replaced the former cordiality and relations between the two countries became so strained that in 1907 there was open talk of war and instructions were sent to the officer commanding the American troops in the Philippines as to the precautions to be taken against a surprise attack by the Japanese, which was believed to be imminent. Sentiment in Canada was exactly the same as in America, and in March 1908 Sir Edward Grey had to assure the Canadian Government that in case of trouble with Japan Canada would have Great Britain's support regardless of the Anglo-Japanese alliance. From now on the alliance was an object of suspicion and resentment in both the United States and Canada, and all attempts to disarm suspicion by showing that in no circumstances could the alliance be directed against America were of no avail. During the Great War hostile feelings against Japan on account of her aggressions against China and suspicions of England's motives in not getting rid of the alliance rose to such heights as to constitute a real danger, until eventually the source of friction was removed by the abrogation of the alliance at the Washington Conference in 1921. The report of the American Delegation to the President of the United States on that occasion is eloquent of the dangers we had run:

One of the most important factors in the Far Eastern situation was the Anglo-Japanese alliance. This alliance has been viewed by the people of the United States with deep concern. Originally designed as a measure of protection in view of the policies of Russia and Germany in Far Eastern affairs, the continuance of the alliance after

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all peril from those sources had ceased could not fail to be regarded as seriously prejudicial to our interests. Without reviewing the reason for this disquietude, it was greatly increased by the 'state of international tension' which had arisen in the Pacific area. The question constantly recurred: The original sources of danger having been removed, against whom and for what purpose was the alliance maintained? The difficulty lay in the fact that the Treaty was not one that had to be renewed. It ran until it was formally denounced by one of the two parties. Great Britain accordingly found itself, as Mr. Balfour has expressed it, 'between the possibilities of two misunderstandings — a misunderstanding if they retained the Treaty, a misunderstanding if they denounced the Treaty.

It was therefore a matter of the greatest gratification that the American Delegation found that they were able to obtain an agreement by which the Anglo-Japanese alliance should be immediately terminated. No greater step could be taken to secure the unimpeded influence of liberal opinion in promoting peace in the Pacific region.

Sir Charles Dilke, in one of his great speeches in the House of Commons, declared that 'nothing could be weaker as a policy than one of sham alliances where there was no common purpose'. England and Japan may be said to have had the common purpose to check the advance of Russia in Manchuria and North China, but once that had been achieved all vestige of a common purpose disappeared. England's purpose was to maintain the open door and equal opportunity in the whole of China, including Manchuria, and to assist China to develop into a stable and prosperous nation-state able to hold her own in the modern world. Japan's purpose was the exact opposite. She was proceeding gradually step by step with the grand scheme of expansion on the mainland of Asia that had been started and dropped by Hideyoshi three hundred years before. After her victory over Russia she was busy for a time consolidating her position in Korea and Manchuria and preventing the intrusion of foreign capital. These, however, were after all the spoils of war and the tendency, in England at any rate, was to stifle criticism and hope for the best; but when the Great War broke out in 1914, Japan threw off the mask and openly and unashamedly seized the opportunity to try and sub-

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jugate China and turn her into a vassal state. The story of Japan's actions in China during the war years — the Twenty-One Demands presented to President Yuan Shih Kai, the rebellions and civil wars fomented by Japanese money, the puppet Governments maintained in Peking to do her bidding, the fraudulent loans to get possession of China's natural resources — is a shameful record and explains why so much discredit and suspicion attached to England as Japan's ally. The abrogation of the alliance at the Washington conference was not the end of the evil. In 1905 we had withdrawn our battleships from the Far East, and we never sent them back. By the time the alliance was abrogated the people of Great Britain had declined still further into the self-deceiving mood of believing that they could get something out of nothing and enjoy peace without earning it. As a substitute for battleships we built the Naval Base at Singapore. Almeida, the first and perhaps the greatest of the captains who made Portugal the ruler of the Indian Ocean in the sixteenth century, always warned his sovereign that fortresses on land were useless without sea power to defend them; and so it proved with us. It is strange how often it happens that it is the elementary principles that are forgotten when high policy is decided. We could have held Singapore if our sea power had been adequate, and it was not adequate because forty years ago we were converted to the false doctrine that we could use the naval power of an ally, instead of our own, to defend the vital interests of the Empire.

## CHAPTER X

### AMERICA, BRITAIN AND CHINA

A STUDY of China's international relations during the nineteenth and twentieth centuries reveals a very close similarity — amounting almost but not quite to identity — between the actions and policies of America and Great Britain in the Far East — a similarity that extends both to the Governments in Washington and Whitehall and to the nationals of the two countries residing and trading in the Far East. The people of both countries share a common heritage of law, language, literature and religion, and they possess a stock of ideas the greater portion of which is common to both. It is not unnatural, therefore, that their reaction to events should be very similar and that their aims and purposes should move along parallel lines. Nevertheless, a comparison between British and American policy in the Far East can best be made by observing, not points of similarity, but the differences which arise from fundamental characteristics of temperament, history and environment.

Americans arrived, of course, in Canton much later than the British — the first American trading vessels reached Canton in 1784 — and they had the great advantage of arriving direct and not via India and Malaya. They had never, therefore, acquired the patronizing manner towards 'natives', which is particularly out of place in the case of so vigorous, gifted and cultured a race as the Chinese, and as a nation no suspicion of imperialism or aggressive designs attached to them. It is doubtful whether the average Englishman, whose most aggravating characteristic is perhaps a readiness to admit his faults in theory, while remaining unconscious of them in practice, has ever realized what an advantage was thus conferred upon his American competitor. The Americans who joined the little foreign trading community at Canton had no powerful corporation like the East India Company at their backs, nor did they get much help or support from their own Government. The United States Government, always fearful of foreign entanglements, adopted much the same attitude towards American merchant venturers as China did towards the émigré

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communities — she left them to shift for themselves. This probably stimulated the enterprise of a vigorous and individualistic people, their China trade was helped by the prolonged wars in Europe, and as neutrals they were frequently able to make large profits. This was particularly the case during the opium troubles between the British and Chinese at Canton in 1839. They secured a substantial proportion of the total trade, and, like the British, they freely engaged in the opium traffic, which, with all its demoralizing incidents, was doubly advantageous by reason of the direct profit it yielded and of the facilities it provided for financing the general trade. One result of the lack of Government or other support was that the Americans were more ready than the British to adopt a yielding attitude even towards the most overbearing pretensions of the Chinese. Occasionally they suffered by being drawn into a general quarrel in which they were not directly concerned, but on the whole they reaped the dual advantage that they retained the favour of the Chinese while sharing the benefits won by the British on behalf of the foreigner generally. It is perhaps worth noting that, in the case of the Americans as in the case of the British, extraterritorial jurisdiction grew up at Canton before any formal treaty grant of the privilege had been made. The head of the American community administered deceased estates and disciplined mutinous sailors, and the American plenipotentiary, sent out in 1844, set up an American Court to try an American charged with manslaughter (whom he had refused to hand over for execution) before any treaty with China had been signed.

It was not until 1839, when it had become evident that a 'show down' between Chinese arrogance and Western insistence could no longer be postponed, that the United States Government began to reach the conclusion that Government protection should be extended to the important American commercial interests that had been built up in China. In that year the American community at Canton sent a memorial to their Government praying that appropriate action be taken. The proposals in this memorial and the ideas that inspired them were exactly such as a group of British subjects in similar circumstances would entertain. The Americans desired some kind of protection against the arbitrary and capricious manner in which Chinese criminal law was applied to foreign nationals, protection against arbitrary and illegal exactions on trade, better facilities

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for trade, such as a fixed tariff, bonded warehouses and more open ports, and the appointment of an envoy to look after their interests in Peking; and they thought that all this could be secured without fighting and bloodshed by making common cause with the British and by staging a joint naval demonstration off the coast of China. The American Government sent a squadron of warships to China, but it was not till 1844, after the Anglo-Chinese war had been fought and the Treaty of Nanking (1842) and the Supplementary Treaty of the Bogue (1843) had been signed, that an American envoy appeared on the scene in order to secure the same treaty rights that had been granted to the British.

American isolationism is responsible for much of the evil that has come into the world in the twentieth century and there are some indications that the word may degenerate into a mere term of reproach. It should not be forgotten, however, that Americans never had cause to doubt the essential wisdom of Washington's advice to avoid becoming entangled in the quarrels of Europe. If a new nation was to be built up in America it was essential that the undivided allegiance of the races composing it should be reserved for America alone and that the interests of America should be placed above the interests of their respective countries of origin. If the feuds and quarrels of Europe had been carried across the Atlantic and continued on American soil the new nation might have been disrupted before it had properly come into existence. This ideal was, of course, never fully realized in practice. The basis of the anti-British influence of the Irish and German voters, for example, was certainly not pure love of America. A difficulty of a different kind arose in the case of those of British origin who, until the latter part of the nineteenth century, constituted the preponderating element in the United States. The great mass of the people of Great Britain felt a warm affection for the people of America and a great enthusiasm for the noble experiment in democracy that was yielding such glorious results, and they were firmly resolved that England should never again engage in fratricidal strife with America. This, however, was combined with an exasperating inability to realize that what loomed largest in the eyes of America was the fact that she had broken the tie with England and had become a powerful and independent state. The English persisted in vaguely thinking of Americans as another kind of Englishman and of America as a colony

in a more advanced stage of evolution. There was a certain suspicion of patronage in this attitude and the Englishman's sublime unconsciousness of the fact that he was giving offence only added to the general sense of irritation. It was often the 100 per cent Americans, who felt a genuine affection and even admiration for England and a pride in their British ancestry, who were the severest critics of England and who were filled with the deepest suspicion of every move made by Great Britain.

The result of all these influences was to make it difficult for America to co-operate with Great Britain or to follow a British lead. In their policies in the Far East the two countries have always had the same general aims — to maintain the open door and equal opportunity, to lend friendly assistance to China in her great task of regeneration and modernization and to secure respect for her integrity and sovereignty. Generally, however, the most that could be hoped for was that America and England would act along parallel lines; and much ingenuity has on occasion been expended in making it appear that a particular policy had been devised, not in England but in America, and that it was England who was following an American lead and not the other way round. Another form taken by American isolationism was a refusal to accept any responsibility for a better ordering of world affairs in general. The recognized American technique was to obtain guarantees that American nationals should receive treatment not less favourable than those of the most favoured nation, and then disclaim responsibility for anything that might happen thereafter, merely warning all concerned that whatever robberies or murders they might commit they must abstain from infringing American treaty rights. In 1896, for example, Joseph Chamberlain tried to enlist the aid of America to stop the massacres in Armenia. Olney, the Secretary of State, was extremely sympathetic. He replied that 'if England should set about putting the Armenian charnel house in order, the United States would consider the moment opportune for vigorous exertions on behalf of American citizens and interests in Turkey', and he thought that this attitude 'would both morally and materially strengthen the hands of England'. It never crossed his mind that America might take an active part in remedying the evil. Nearly forty years later the American attitude towards the Manchurian conflict was substantially the same. If the other Powers felt inclined to apply sanctions to Japan, America would



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do nothing to make their task more difficult: she would even help by a vigorous assertion of American rights, but the 'ultimate possible weapon' that Mr. Stimson was prepared to use was non-recognition. As America grew in wealth and power this self-regarding attitude in international affairs became progressively more harmful to the general interest, but so deeply was the habit ingrained that only the shocks of the last few years have roused America to take a wider view of her responsibilities as a world Power.

Such being the background to the American scene it is not perhaps surprising that the suggestion made by the American merchants in Canton that American interests might be secured by joint action with Great Britain excited something like horror. Caleb Cushing, a brilliant New England lawyer, who was Chairman of the Committee on Foreign Relations and who three years later was appointed first American envoy to China, contrasted the way in which Americans in Canton had 'manifested a proper respect for the laws and public rights of the Chinese Empire' with the 'base cupidity and violent and high-handed infraction of all law, human and divine, which had characterized the operations of the British', and protested strongly against the idea of co-operating with the British Government. 'Thus began', says the American writer Tyler Dennett, 'the myth in the United States, at a time when the Americans at Canton were riding roughshod over Commissioner Lin's embargo on English trade, and smuggling the cargoes for the season both in and out of the port, that the American in China was an angel of light'. It was also just at this time that the great era of the American clipper ship began, and when Cushing came to China in 1844, instead of angels of light, he found Americans, of the same adventurous type as those who a few years later were pushing the American frontier back to the Pacific, plying up and down the China coast in well-armed opium clippers, that could outsail any other ship afloat, and reaping a golden harvest from the illicit traffic in the drug. He no doubt revised some of his previous opinions, but it is doubtful if he overcame his distrust of the British. The chief object of the American Government in sending an envoy to China was to secure for American commerce the benefits of the open door and equal opportunity, but in fact these had already been secured for the merchants of all nations by the British treaties of 1842 and 1843. The



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instructions sent, first by Lord Palmerston and later by Lord Aberdeen, to successive British plenipotentiaries in China were to the effect that Great Britain, in her wars and negotiations with China, sought for no advantages that she did not wish to see shared by all other nations, and this policy was publicly proclaimed by the British representatives in China. When the Treaty of Nanking was signed in August 1842, opening ports to foreign trade, it was agreed that the ports should be open to the trade of all nations alike, and in the Supplementary Treaty of the Bogue, signed in the following year, this agreement was placed upon record. In September 1843, the American Consular Agent at Canton reported that the ports had been thrown open to all foreigners on an equal footing — 'our countrymen have now all the privileges granted to the British'. Unfortunately the American Government, not fully informed of these facts, could not divest themselves of the suspicion that the British Government intended to steal a march upon their rivals, and they proceeded, quite unnecessarily, to put pressure upon China in order to intimidate her into granting what she never had the slightest intention of withholding. The letter of credence addressed to the Emperor contained a veiled threat of war if a commercial treaty were not concluded, and the instructions to Cushing were that he was to 'signify in decided terms and a positive manner' that it would be impossible for the United States 'to remain on terms of friendship and regard' with China unless most-favoured-nation treatment were granted. Cushing had little difficulty in negotiating a satisfactory treaty, but it is a curious fact that to this day some American writers are reluctant to admit that the British had anything to do with the open door in China.

In due course the clipper ship era passed away, steam took the place of sail, the civil war raged in America, Great Britain repealed the Navigation Act, thereby, as some have expressed it, casting away her crutches, the protectionist policy adopted after the civil war made it difficult for America to remain in the race so far as the shipbuilding industry and the carrying trade in the Pacific were concerned, and for all eager and venturesome spirits in America a great new field of enterprise was opened up in the development of the vast expanse of territory between the Atlantic and the Pacific. For nearly forty years America faded out of the Far Eastern picture, and she only began to play an active part again in the last decade

of the nineteenth century, when all the antagonisms of Europe and Asia seemed to be finding a common meeting ground in China, Korea and Manchuria. The fever of imperialism, which was the dominant characteristic of this period, affected America also, and important elements in America were desperately afraid that America, following the example of England in violation of her most sacred traditions, was in danger of being swept along the path of colonial expansion in England's wake. Though this had the unfortunate result of increasing American suspicions and prejudices in regard to England, no candid person can fail to sympathize with the deep-rooted sentiment that inspired these views.

When the Battle of the Concessions once more forced the problem of China upon the attention of the State Department, after many decades of indifference and neglect, the reaction of America was very similar to that of Great Britain. Both countries desired that China's independence and integrity should be preserved and the principles of the open door and equal opportunity maintained, but neither country was willing to go to war in defence of these causes. In the case of Great Britain important commercial interests, a position of great predominance and a vast field for future enterprise were at stake, and she was bound therefore to play a much more active part than America, for whom China was, as Griswold points out, 'a remote and relatively insignificant province of American enterprise'. At first Sherman, who was Secretary of State up to the early part of 1898, expressed indifference to the possible partitioning of China, deeming that America's only concern was to secure most-favoured-nation treatment in whatever parts of China the European Powers might lop off, but when the war with Spain broke out the flood of imperialist sentiment, which had been gradually mounting in America for some years, broke loose, and its effects were soon apparent in American policy in the Far East. Conger, the American Minister at Peking, expressed the view that the door would not be kept open if America merely stood aside: he was in favour of more aggressive competition for railway contracts and the acquisition of a port in China; America should 'own and control at least one good port from which we can potently assert our rights and effectively wield our influence'. He wanted a 'strong foothold' in China from which it would be possible to 'keep permanently open doors for our commerce'. As the tide of imperialism mounted higher the American Government

gradually moved in this direction. On September 6th, 1899, Hay wrote his famous Open Door Notes which have been discussed in an earlier chapter. In the following summer there took place the Boxer rising in North China and the siege of the Legations in Peking, and America continued to play an active and a leading part. On July 3rd, 1900, while the Legations were still besieged, Hay addressed a circular note to the Powers in which he asked them to collaborate in seeking a solution which would preserve Chinese territorial and administrative entity and safeguard the principle of the open door and equal opportunity. Four months later this had an astonishing sequel, for in November Hay instructed Conger to obtain from the Chinese Government the grant of the strong foothold that Conger had previously suggested, namely, a naval base and territorial concession in the Province of Fukien. As Japan had obtained from China a non-alienation declaration in respect of Fukien this proposal had in the first instance to be referred to the Japanese Government, who replied by reminding Hay of the terms of his circular of the previous July, and the plan accordingly fell through. It is possible, of course, that Hay sincerely believed that a 'strong foothold' would enable America to keep the door open and that he saw no contradiction between his circular of July and his proposal of November. No light, however, can be thrown upon this aspect of the question, for the whole episode was kept a profound secret for twenty-four years; it was first published in *Foreign Relations* in 1924, and Hay's biographer is silent on the subject.

It was the war with Spain rather than the collapse of China that afforded scope for the American impulse to expansion. The chief protagonist of imperialism was Theodore Roosevelt, who, in 1898, was Assistant-Secretary to the Navy, from which comparatively subordinate position he found opportunity to arouse the latent jingoism in America and launch America on a career of expansion overseas. The battleship *Maine* was destroyed with heavy loss of life in Havana Harbour on February 15th, 1898, and on February 25th Roosevelt, being left in charge of the office for one day while his chief took the afternoon off, sent a peremptory order to Admiral Dewey, commanding the American Asiatic Squadron, that he was to assemble his fleet at Hongkong, keep full of coal, and in the event of war with Spain, immediately begin offensive operations in the Philippine Islands. War broke out on April 21st and Roosevelt had thus already en-

sured that the quarrel should spread from Cuba to the Far East. It is the nature of imperialist designs to expand rapidly if they meet with initial success, and visions of a glorious future were immediately opened up by Dewey's resounding victory in the battle of Manila Bay on May 1st. It is possible that the protagonists of the forward policy had not contemplated much more than retaining a 'strong foothold' in the Philippines, such as that suggested by Minister Conger and similar to England's foothold at Hong-kong, from which American interests in China and the Far East generally might be protected, but before the end of the year all opposition had been swept aside in a wave of popular enthusiasm, the whole archipelago was annexed, and America seemed to have started on a career of sea power and colonial empire.

Relations between the people of America and England have never been more friendly than they were in 1898. As soon as it appeared that America was drifting into war with one of the nations of Europe and that Germany was adopting towards her the bullying and blackmailing attitude which England knew so well, there was an outburst of friendly sympathy for America which was reflected in the actions of the British fleet in Far Eastern waters. The American author, Tyler Dennett, in his interesting work *Americans in Eastern Asia*, describes how President McKinley was led to believe that war with Germany was imminent by the hectoring language of Prince Henry of Prussia, then on his way out to show the mailed fist to China, and by the threatening attitude of Vice-Admiral von Dietrichs, in command of the German fleet in Far Eastern waters. Dewey, after destroying the Spanish fleet, was blockading Manila; von Dietrichs, with a force larger than the blockading squadron, 'sustained intimate relations with the Spanish authorities within the uncaptured city', and 'proceeded to show a notable indifference to the blockade regulations which Dewey had established'. Admiral Chichester with a British force was also present observing the proceedings, and 'on August 13th when the American fleet proceeded to attack the city in co-operation with the American land forces, the British admiral moved H.M.S. *Immortalité* to a point which placed it between the American fleet and the vessels of the European Powers. Upon receiving notice that the city had surrendered to the Americans, the British vessels alone offered a salute to the American flag'.

The decision to annex the Philippines was greeted with something like enthusiasm in England. That America instead of Germany should fill the void created by the collapse of Spanish colonial power was a welcome solution of a problem that might otherwise have caused considerable anxiety to Great Britain; and from a wider point of view, if America embarked on a course of colonial expansion the dream of many Englishmen might yet come true that the Pax Britannica, which England had sustained singlehanded, might be widened into a world order maintained by the power of England and America. It was, of course, difficult for Englishmen to realize that opposition to the expansionist policy, which had been overborne by a tidal wave of popular excitement, would soon revive and gather strength, nor was it possible to foresee that British enthusiasm for American colonial expansion would rouse resentment among the Americans who opposed it.

After the excitement and clamour had died down many Americans began to fear that the best interests of America were being betrayed and that the annexation of the Philippines would involve the United States in embarrassments and dangers. The treaty with Spain was ratified by the Senate on February 6th, 1899, by one vote more than the required two-thirds majority. An insurrection that had broken out among the Filipinos two days before had some influence in turning the scale, and some Americans have declared that the insurrection had been engineered by the imperialists for this express purpose. In 1906, less than seven years after the fateful vote in the Senate, Roosevelt himself, the Arch-Imperialist, now President of the United States, was seeking some honourable means of giving up the islands. In the following year, August 1907, he wrote to Taft: 'The Philippine Islands form our heel of Achilles. They are all that makes the present situation with Japan dangerous.' The possession of the Philippines continuously exercised a disturbing influence on American policy, deflecting it from its accustomed channels and rendering it liable to violent fluctuations.

When the Russo-Japanese war was nearing its end and it had become clear that Japan would emerge victorious and a great Power, Roosevelt hastened to negotiate a secret agreement with Japan — the Taft-Katsura agreement of July 29th, 1905 — by which the United States approved Japan's sovereignty over Korea in return for a Japanese disavowal of any

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aggressive intentions towards the Philippines. Three years later, after Japan had succeeded to Russia's special position in South Manchuria, he concluded another agreement with Japan — the Root-Takahira Agreement of November 30th, 1908 — one of the purposes of which was to preserve the *status quo*. Roosevelt's aim was to purchase security for the Philippines with concessions to Japanese ambitions in Manchuria, but this policy was reversed by his successor, Taft, and it is a moot point whether Americans find greater cause for dissatisfaction in some of the more flamboyant manifestations of Roosevelt's imperialism or in Taft's dollar diplomacy. Taft attempted by diplomatic pressure to force American capital through political channels into Manchuria, where it would not otherwise have ventured, in order to check Japanese ambitions in a region which had much the same significance for Japan as the Caribbean for the United States or the approaches to India for Great Britain. His policy was a failure and when a few years later the Great War broke out there was another *volte-face*. The Administration returned to the principle laid down by Roosevelt that nothing was to be done to obstruct Japan's ambitions in Manchuria, and applied it even when these ambitions had been enlarged to include China as well as Manchuria.

In September 1914 a large Japanese army landed on Chinese territory in order to march overland to attack the German fortress of Kiaochow; China appealed to the United States, and Lansing, the Acting Secretary of State, replied that 'it would be quixotic in the extreme to allow the question of China's territorial integrity to entangle the United States in international difficulties'. In the following January the Japanese Minister in Peking presented to Yuan Shih Kai, the President of the Chinese Republic, under the strictest injunction of secrecy, the notorious Twenty One Demands, the purpose of which was to reduce China to the status of a vassal of Japan. The American Minister in Peking made urgent representations direct to President Wilson, but the President refused to make any move on the ground that 'any direct advice to China, or direct intervention on her behalf in the present negotiations, would really do her more harm than good, inasmuch as it would very likely provoke the jealousy and excite the hostility of Japan, which would first be manifested against China herself'. The Chinese had allowed the news of the Twenty One Demands to leak out, and when at length the full text reached Washington, Bryan, the

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Secretary of State, wrote in the following terms to the Japanese Ambassador:

While on principle and under the treaties of 1844, 1858, 1868, and 1903 with China the United States has ground on which to base objections to the Japanese 'demands' relative to Shantung, South Manchuria, and East Mongolia, nevertheless the United States frankly recognizes that territorial contiguity creates special relations between Japan and these districts.

Two years later the Japanese Government asked for confirmation of Bryan's statement, and this resulted in the famous Lansing-Ishii exchange of notes of November 2nd, 1917, by which the United States recognized that 'territorial propinquity creates special relations between countries, and, consequently, the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous'.

To many people in America it seemed that by following the evil example of England the expansionists had run their country into grave dangers and had betrayed ideals which Americans held sacred. The protagonists of the expansionist policy were for the most part Anglophiles and the High Priest of the whole movement was Captain Mahan, whose famous book *The Influence of Sea Power upon History*, had been published in 1890. Mahan was a warm admirer of England and of everything English. He preached the glories of the British Navy, naval bases and colonial dominion, and openly advocated that America should follow in the footsteps of England. His views strongly influenced those who were mainly responsible for guiding American policy during and after the war with Spain, with the result that the opponents of the expansionist policy were usually hostile to Great Britain and were anxious to prove that nothing England did was ever right. The steady stream of criticism from these sources had succeeded in building up in America a false picture of British policy in the Far East, largely because no serious effort has been made to correct it. We have paid a heavy price for our general lack of interest in, and ignorance of, the Far East, for English writers on this subject have for the most part been content to rely on secondary sources and have uncritically adopted and transmitted myths and legends which are the offspring of ignorance and suspicion.



## AMERICA, BRITAIN AND CHINA

The only special study made by an English writer of the crucial period of the Battle of the Concessions — 1895 to 1900 — is Mr. Joseph's *British Diplomacy in China*. To the casual reader this appears to be a careful piece of work compiled from original sources and it has been accepted as reliable by subsequent writers. It contains, however, many crudities and errors and displays a quite extraordinary ignorance of the general historical background of the period. Mr. Joseph believes, for example, that Russia and Japan were natural allies and declares that Japan spent several years trying to persuade Russia of that simple fact. Hardly any episode has been subjected to such meticulous examination as that of the Hay Open Door Notes. Mr. Joseph appears to be ignorant of the genesis of the notes and allows his imagination to run riot. He invents a theory that the European Powers, being anxious to take advantage of Great Britain's preoccupation with the Boer War to upset her position in China which rested on the policy of the open door, sought to persuade America to join them in the spoliation of China by offering her a slice of Chinese territory (!); Great Britain, however, went one better and gave America the boundary line that she claimed in Alaska with the result that Hay wrote his Open Door Notes, the effect of which was to 'secure the benevolent neutrality of the United States in the South African War, and to maintain unimpaired Britain's position and policy in China'. Mr. Joseph admits that there is no evidence for this story, 'but it is difficult to believe that jingoist America of 1899 would have refused an offer of territory in China unless it were compensated elsewhere'. For sheer nonsense it would be difficult to find anything equal to this. Mr. Joseph displays a similar ignorance of the political scene in England during the period of which he writes, as well as disconcerting inability to grasp the meaning even of those documents which he appears to have read. He quotes Joseph Chamberlain's speeches as if they were authoritative guides to the Government's foreign policy, and is apparently unaware of the embarrassment caused to his colleagues by Chamberlain's unauthorized and usually disastrous incursions into the field of foreign affairs. He represents Lord Salisbury's Cabinet in 1898 as being eager to give effect to their new policy of alliances and is apparently unaware that Salisbury fought this fatal delusion of Chamberlain's to the last, and that splendid isolation was only defeated in hole and corner fashion after Salisbury had relinquished the



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direction of affairs. A famous speech which Salisbury made on May 4th, 1898, defending isolation and denouncing the folly of Chamberlain's ideas, is declared by Mr. Joseph to have been made in order to prepare the public for the Cabinet's new policy of alliances. It is less surprising that Mr. Joseph should have been thrown into a state of complete confusion by Mr. Balfour's speech of April 29th, 1898 (page 116). In this speech Mr. Balfour exercised his considerable powers of mystification on the House of Commons in an endeavour to persuade them that the British Government, by preventing any power establishing a sphere of influence in the Yangtse valley, had achieved something as valuable as Germany had achieved by seizing a sphere of influence in the Shantung province. The term 'sphere of influence' can be used to denote a position such as that of Germany's in Shantung where a grant of prior rights had been extorted by force from the Chinese Government, and it can also be used in the sense that the Bank of England has a sphere of influence in Wall Street; but Mr. Joseph seems never to have got it clear in his own mind that there is a considerable difference — morally, politically and economically — between these two senses of the term. He sapiently remarks that Balfour had not only admitted the existence of a 'certain species of sphere' but had asserted for Britain the possession of such a sphere in the Yangtse valley, and he follows this up with a long rambling discussion of 'Britain's efforts for a sphere'.

It is unfortunate that Mr. Hudson, in his excellent and readable little book *The Far East in World Politics*, has allowed himself to be misled by many of Mr. Joseph's errors and illusions. His most serious lapse from grace occurs in connection with the famous myth of England's sphere of influence in the Yangtse valley. Mr. Hudson quite correctly defines a sphere of influence as 'the term used for a region of the Chinese Empire within which a particular foreign Power was granted preferential or exclusive rights to capital investment enterprises, especially concessions for railway construction'. Mr. Balfour, in his speech of April 29th, 1898, declared that England had no intention of seizing a sphere of influence, but that she already possessed a sphere of *interest* in the Yangtse valley: she had occupied for nearly two hundred years the leading position in the trade of China and had built up vast interests, most of which were concentrated in the Yangtse valley. Mr. Hudson, however, declares that

there is only a 'hair splitting distinction' between a sphere of influence as defined by himself and a sphere of interest as defined by Mr. Balfour; and he describes with much indignation how England enclosed 'in the grand manner', and 'claimed for her sphere nothing less than the whole basin of the Yangtse', from which area she 'endeavoured to exclude non-British, and especially French or Russian railway enterprise'.

The reader would hardly gather from this emotional writing that the chief danger to the open door and to the independence and integrity of China was the plot concocted by France and Russia to extend railways — owned, operated and guarded by foreign governments — from the extreme north and the extreme south into the heart of China, meeting on the Yangtse, and at the same time to turn the Chinese Maritime Customs into a branch of the Russian Treasury like the Chinese Eastern Railway. Few people, acquainted with the facts, will regret that Great Britain did not stand virtuously aside, but that, with no support from other Powers, she defeated this plot by insisting that the railways to be built in the wealthiest and most populous provinces of China should be built, not as foreign government railways, but as commercial enterprises, and that a fair proportion of the capital required for such enterprises should be obtained from British sources.

Great fleas have little fleas upon their backs to bite 'em, and little fleas have lesser fleas, and so *ad infinitum*. Mr. Hudson copies Mr. Joseph's mistakes, and Mr. Hubbard, in what must be almost the worst book ever written on such a subject (*British Far Eastern Policy*,<sup>1</sup> published, alas! under the auspices of the Royal Institute of International Affairs) improves on Mr. Hudson. He speaks of 'spheres of influence (or "interest")' and declares that Great Britain 'took a full part in the "Battle of the Concessions", the competition for "spheres of influence", and even in the race for territorial enlargements', and he makes the excuse that all this was undertaken *malgre soi* and was 'at most a temporary aberration'. The *reductio ad absurdum* is reached in a still more recent book in which the author declares that Great Britain 'acquired almost proprietary rights in the Yangtse valley'.

It reflects little credit on the institutions of learning in this country

<sup>1</sup> A later version written for the Institute of Pacific Relations Conference held in December 1942 is a considerable improvement on the earlier editions.

that, in spite of our long predominance in China, there is no English historian who has mastered the complications of the Far East and there is no one versed in Far Eastern affairs who has reached the ranks of the historians. During the last thirty years the books on the Far East written in America surpass those written in England, both as regards number and quality, in the ratio of perhaps twenty to one. To study Far Eastern politics one must read American books. The great majority of them are admirably fair, objective and well informed; some suffer from the very human failing of believing that American policy is always perfect and that Americans in the Far East are and always have been, as Mr. Dennett would say, angels of light; some are critical of Great Britain but not unfairly so; a few are unfairly critical because isolationist sentiment makes it difficult for them to overcome their suspicions of England and their distrust of Anglophiles; and occasionally one comes across an American writer who has allowed these prejudices almost entirely to destroy his sense of historical values.

A recent book of this character is Griswold's *The Far Eastern Policy of the United States*. It is an important and well-written book, free from the 'angels of light' complex, with the important exception that the author strives on every possible occasion, even at the cost of distorting or flying in the face of the evidence, to divert blame or criticism from America to England. Like King Charles's head the wrong and selfish policy of Great Britain, whether relevant or not, crops up at every turn. Everything relating to England is represented in an unfavourable light, and discreditable motives are found for simple and straightforward actions. The case which the author endeavours to make, by the device of constant repetition, is that there cannot be any identity of aim or community of interest or even decent friendly feelings between America and such people as the British. British friendliness becomes 'sedulous courting of American favour' for motives of cupidity or self-interest. Captain Mahan, who admired England, becomes a 'pedantic sailor' and Lord Salisbury an intriguer. The story of the incident at Manila Bay, when the British flagship interposed between Dewey and von Dietrichs, is discredited on the strength of a private letter from a friend who claimed to have examined the German and Admiralty records and the logs of the ships concerned forty years after the event. A blatant and unskilful piece of

German propaganda (exposed by another American writer, Denis, in his *Adventures in Diplomacy*) is accepted as proof of the story — absurd on the face of it — that the British Ambassador at Washington tried to engineer European intervention in the Spanish-American war and that Germany out of friendship for America blocked it. This proves according to Griswold that England did not support America in the Spanish War, although it should have been a foregone conclusion that she would. In the whole book there is hardly a single reference to England which is free from prejudice of this kind.

The most remarkable example of Griswold's peculiar methods occurs in connection with the American attitude to Japan during the Great War. Up to the closing stages of the war the Wilson Administration, feeling that it was desirable to remain on good terms with Japan, decided to offer no opposition to Japan's ambitions on the mainland of Asia, even though this involved throwing China to the wolves. Americans have never felt very happy about Bryan's note of 1915 or the Lansing-Ishii notes of 1917, referred to on page 164. Griswold accordingly, by an ingenious and elaborate 'build-up', sets out to transfer responsibility for the doctrine that contiguity creates special relations, or special interests, or special rights from American to British shoulders. In an earlier chapter he refers casually to the 'principle that propinquity creates special interests, so firmly established by the Anglo-Japanese Treaty of 1905' (page 130). Later on he declares that Japan was assisted in consolidating her special position in South Manchuria by the fact that she enjoyed the 'strong moral support of the Alliance with England with its recognition of the principle that propinquity creates special rights, and the precedent of that principle's application to both Korea and Thibet' (page 148). And in dealing with the treaty itself he boldly declares that Lord Lansdowne, in his covering dispatch transmitting the text of the 1905 Treaty to the Ambassadors at Paris and St. Petersburg, 'emphasized its recognition of the principle that propinquity creates special rights. On this, he said, the articles dealing with Korea and India were based' (page 116). The student who cares to consult the texts of the documents in question will find that in neither the treaty nor the dispatch is there a single word about propinquity creating special rights, and he will draw his own conclusions as to the degree of trust to be reposed in Griswold.

It is only fair, however, to add that Griswold's work must be regarded as the exception which proves the rule. American historians are eminently fair and objective and the amount of scholarly research they have devoted to the Far East puts us to shame. If occasionally they indulge in what seems to us to be unfair criticism of England it is to be attributed to a lack of a sympathetic understanding of the way in which our institutions work and not to any failure in intellectual integrity.

## CHAPTER XI

### THE JAPANESE POINT OF VIEW

THE drama that has been enacted on the Far Eastern stage during the last forty years may perhaps best be visualized under the form of a struggle between two rival nationalist movements, one in China and one in Japan. Both were in a sense directed against the West for both desired to free themselves from the domination of Western influence and power; but whereas the Chinese, with their genius for universality, their humanism and broad and tolerant outlook, sought for a harmony between Western culture and their own, a harmony, in which the Confucian scheme of values would be preserved, the Japanese, with their narrow tribalistic outlook, strove to turn the tables on the West and themselves become the dominant people in a new order in which the nations of Europe and America should be reduced to a proper status of subordination. China, in their view, had sold the pass. She had allowed her ancient civilization to fall into decay and had offered no resistance to the race-superiority notions of the West. For a thousand years China had been the Great Country from whom Japan had borrowed the form, but not the spirit, of her institutions, the literary and aesthetic qualities of her culture but not the philosophy that lay behind. Now, it seemed, the time had come when the roles should be reversed. China must be made to accept the leadership of Japan, the nations of the East must combine against the West and all the resources of Asia, united in the hand of Japan, must be employed to abate the pretensions of Europe and America. The old dream of 'manifest destiny', which had led Hideyoshi into Korea in the sixteenth century and which had haunted the imagination of the Samurai for the past three hundred years, was now dressed up in the idealistic disguise of a crusade of East against West. But the first essential step was still the conquest of an empire on the mainland of Asia, and this involved the fundamental contradiction, which Japan has always tried to conceal even from herself, that she was posing as the champion of nations whom in fact she was planning to subjugate. China at any rate never had any illusions on the

subject, nor was she ever allowed to remain free for very long from the menace of Japanese aggression. The rival nationalisms of China and Japan never showed any sign of combining against the West. On the contrary, the clashes between them became more frequent and severe until they became locked in the life and death struggle which began on July 7th, 1937, at the Lukouchiao Bridge near Peking.

The history of the last forty years in the Far East falls naturally into four well defined periods: (1) from the Boxer Rebellion to the Great War, 1900 to 1914; (2) from the Great War to the Washington Conference, 1914 to 1921; (3) from the Washington Conference to Manchuria, 1921 to 1931; and (4) Manchuria and after, 1931 to ——. The Revolution of 1911-12 which brought to an end the reign of the Manchu dynasty and turned China into a Republic is not so significant a date in China's history as might be supposed. It registered the disgust felt by the country at large with the corruption, incompetence and general futility of the Manchus and with the failure of the reform movement to produce the promised results, but what actually stirred the malcontents to action was resentment at the Peking Government's attempt to exercise real authority in matters, such as railway construction, affecting the interests or the prerogatives of the provinces. An increasing measure of centralization was essential if China was to become a sovereign unitary state, but the revolution failed largely because it was a movement in the opposite direction. By transferring authority into the abler and stronger hands of Yuan Shih Kai and the generals of the new model army which he had created it merely intensified the latent hostility to every form of central control or interference. Its chief effect was to make apparent the cleavage between the radical south and the conservative north which has remained a persistent feature of Chinese politics down to the present day. In the decade preceding the Great War China addressed herself to the tasks of acquiring knowledge from the West, reforming her educational system and westernizing her laws and methods of legal administration. She made considerable progress in these directions, but the effort to create an effective central government had failed, and when the Great War broke out the nationalist movement had not yet discovered any method of reconciling political differences, of curbing the ambitions of provincial leaders or checking the personal feuds and jealousies of politicians.

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Japan, on the other hand, by her alliance with England and her signal victory over Russia had leapt into the position of a great world Power, and was ready and eager for the further opportunity which the war presented her. On January 18th, 1915, the Japanese Minister at Peking presented to Yuan Shih Kai, the President of the Chinese Republic, the notorious Twenty One Demands, the object of which was to turn China into a vassal of Japan. This was no mere sudden move by an extremist group approved by some secret decision of the Cabinet. The plan had been long maturing in the minds of the large number of educated and intelligent Japanese who were accustomed to reflect on the future of their country, and the Government's decision to carry it into execution commanded the general approval of public opinion.

The policy of the Twenty One Demands had already been outlined in a notorious memorandum by the Black Dragon Society almost immediately after the outbreak of the Great War. The society took its name from the Black Dragon River — known to Europeans as the Amur River — and, as the name implies, its object was to study the problems of foreign policy in relation to Japanese interests on the mainland. It was not composed of particularly important or influential people. The significance of the memorandum lies in the fact that it expressed the ideas of the man-in-the-street which have continued to form the permanent basis of Japanese foreign policy down to the present time. It is also an interesting revelation of the naivety of the Japanese mind, of their capacity for wishful thinking and their talent for believing — or persuading themselves that they believed — wholly contradictory propositions. The Japanese are sublimely unconscious of the notion that there can be any relation between morality and national policy: anything that conduces to the material advancement and prosperity of Japan must necessarily be right. They are genuinely astonished when other people do not see things from precisely the same angle as they do. It must surely be self-evident, they think, that Japan has a mission to spread the paternal rule of the divine Emperor so that all may enjoy its benefits. If other people object to the actions of Japan it must be because this has not been properly explained to them; and when they voice their objections, as has not infrequently happened during the last thirty years, Japanese statesmen laboriously try to make them understand the true beneficence of Japanese aims.



The authors of the Black Dragon Memorandum set up as the two objects of Japanese policy, first, the subjugation of China, and, second, the free and willing consent of a regenerated China to join Japan in excluding Western influence from the Far East. No Japanese has ever been able to admit — even to himself — that these are mutually exclusive aims, and this contradiction lying at the root of Japan's national policy has taken all truth and candour out of the conduct of her foreign relations. Japanese assurances are usually patently at variance with known facts and the 'infamous falsehoods and distortions', which Mr. Cordell Hull indignantly denounced on the day of the treacherous attack on Pearl Harbour, are the natural consequence of the kind of self-deception that was practised in the Black Dragon Memorandum.

In the autumn of 1938, after the capitulation of England and France at Munich and the capture of Canton and Hankow, the Japanese Government were encouraged to believe that victory in China was in sight. They announced that the ultimate purpose of their campaign was to establish a New Order in East Asia by the formation of Japan, China and Manchukuo into a single political and economic bloc. There would be no impairment of the legitimate rights and interests of foreign Powers, but as the object of the New Order was to rescue China from the imperialist ambitions of the West and establish peace and stability based on true justice, the Powers must formulate policies suited to the new conditions. This announcement was accompanied by the usual exhortations to the Powers to understand Japan's true motives and was followed by a peace offer to the Chinese Government, which, after the fall of Hankow, had retreated to Chungking. This was, in effect, based on the recognition of Japan's sovereignty over Manchuria and Inner Mongolia, her right to station troops at specified places in China and the grant of special privileges that would enable Japanese to monopolize the development of China's natural resources. When this offer was contemptuously rejected Japan proceeded to set up a puppet government at Nanking under the quisling, Wang Ching Wei, with whom she signed a 'Treaty of Basic Relations' purporting to constitute China a member of the New Order in East Asia. At the same time Japan continued to wage against the Chinese people what was, until Hitler set up fresh standards of horror, the most savage war in history, and she continued to maintain the shabby pretence

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that she was not at war with China at all, but was waging a punitive campaign against a separatist bandit government which was preventing the Chinese people from enjoying the blessings of peace under their Treaty of Basic Relations with Japan.

All the ideas underlying the New Order in East Asia were set out, in almost the same language, in the Black Dragon Memorandum of 1914. The memorandum began by urging that Japan must skilfully avail herself of the trend of affairs to realize 'our great Imperial policy'. It was the divine duty of the Japanese Government to act immediately and solve 'at this very moment' the Chinese question. At the end of the war the European Powers would be ready to expand their interests in China. Japan must, therefore, resort immediately to the use of force in order to anticipate any future European expansion. It was the divine duty of Japan to act immediately and solve 'at this very moment' the Chinese question. In obedience to her divine mission Japan must 'solve the Chinese question by making China voluntarily rely upon Japan', and this was to be done by seizing the reins of financial and political power and entering into a secret defensive alliance with China which would provide the 'foundation power' for repelling the aggression of the West. Yuan Shih Kai, however, was as little likely as Ch'iang Kai Shek to sell his country to Japan. Therefore, the memorandum continued, Japan must not rely upon the 'ordinary friendly methods of diplomacy' but must 'support the four hundred million Chinese people to renovate their corrupt Government'; that is to say, Japan must provide money and munitions to stir up a revolution, and, when Yuan Shih Kai had been overthrown, 'select a man from among the most influential and most noted of the four hundred million of Chinese and help him to organize a new form of government and to consolidate the whole country'.

When these preliminaries had been accomplished and a suitable quisling had been found a secret defensive alliance should be concluded under which Japan would share with China the responsibility of co-operating against foreign invasion and internal trouble. China would cede to Japan South Manchuria and Inner Mongolia, naval bases and railway and mining rights. Japanese experts would train and organize the Chinese army and navy, reorganize the finances and methods of taxation and remodel the educational system. Japan would 'pay due respect to the

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sovereignty and integrity of China', and, after the alliance, Japan and China would 'work together hand in hand'. China being relieved of all future anxieties, and having no need to fear in future the pressure of Western Powers, would be able to proceed energetically with her reforms and await in peace and security her national development and regeneration.

It is important to realize that no Japanese would think that there was anything either absurd or reprehensible in the arguments and proposals put forward in this Memorandum. It seems absurd to declare that force must be used against a nation in order to compel it to do your will and in the same breath to explain that that nation will then trustingly walk hand in hand with you, help you to gain greater power, lose her soul and be regenerated, surrender her independence and be grateful for the way you respect it. To us it seems merely silly and hypocritical, and it is well therefore to remember that much of our own political thinking in the post-League of Nations period was equally silly, smug and full of contradictions, and that the Japanese are probably as fully aware of these defects in our thinking as we are of the defects in theirs. The Japanese aim was to achieve the leadership of East Asia by the exclusion of the West and the subjugation of China. The Black Dragon Memorandum is full of absurdities because they have forced themselves to believe that there must be some way of obtaining the friendly co-operative but subordinate China which would alone make practicable Japan's unchallenged domination in the New Order. From this comes the desperate quest for puppets and the delusion that you can force a nation to be friendly. Some Japanese believe that China can only be subdued by force and some believe that she can be subdued by diplomacy, with force kept with varying degrees of ostentation in the background, but the exponents of the positive policy and of the conciliatory policy both have the same end in view — the end that was stated in the Black Dragon Memorandum in 1914 and proclaimed by the Japanese Government in 1938.

During the Great War the Japanese Government proceeded to carry out in every detail the policy proposed in the Black Dragon Memorandum. The Twenty One Demands, which were presented direct to President Yuan Shih Kai in January 1915, were divided into five groups. Group 1 demanded widespread rights in Shantung, the German sphere of influence;

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Group 2 perpetuated and consolidated the special position which Japan had already acquired in South Manchuria and Inner Mongolia; Group 3 aimed at securing a stranglehold on important iron deposits and iron works near Hankow; Group 4 forbade the lease or cession to a third Power of any harbour, bay or island on the coast of China; and Group 5 asked for political rights throughout China which, if granted, would have given Japan supervisory control over political, financial and military affairs and would have placed the police service under joint Chinese and Japanese administration. Owing partly to Chinese skill in negotiation and partly to the pressure which Great Britain was able to bring to bear on her ally, Group 5 was eventually withdrawn and reserved for future discussion, but China was presented with an ultimatum which forced her to accede to the remaining demands.

The next step was to foment a revolution against Yuan Shih Kai. A favourable opportunity for this occurred when Yuan, disregarding Japan's 'advice', embarked on an ill-advised attempt to make himself Emperor. The Black Dragon Memorandum had urged that Japan must get rid of Yuan Shih Kai:

We should induce the Chinese revolutionists, the Imperialists and other Chinese malcontents to create trouble all over China. The whole country will be thrown into disorder and Yuan's government will consequently be overthrown . . . For us to incite the Chinese revolutionists and malcontents to rise in China we consider the present to be the most opportune moment. The reason why these men cannot now carry on an active campaign is because they are insufficiently provided with funds. If the Imperial Government can take advantage of this fact to make them a loan and instruct them to rise simultaneously, great commotion and disorder will surely prevail all over China.

During the Great War I was Consul, and later Consul-General, at Tsinan, the capital of the Province of Shantung, and was therefore favourably placed for observing how the Japanese Government carried out the plan suggested in the memorandum. Tsinan is connected with Kiaochow (otherwise known as Tsingtao) by a German-built railway some two hundred miles long. After capturing Kiaochow the Japanese

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had seized the railway and had built barracks and stationed troops at various towns on the railway, including Tsinan. They were thus in military occupation of a railway zone in Shantung from which they hoped to dominate the whole province just as they dominated Manchuria from the zone of the South Manchurian Railway. When Yuan Shih Kai refused to abandon the monarchy scheme Chinese revolutionaries who had been sheltering in Japan and Dairen were brought to Tsingtao; several thousand men were recruited from among the riff-raff of Shanghai and were also brought to Tsingtao, where they were housed in large warehouses guarded by Japanese sentries. They were armed and drilled for several weeks and on the appointed day special trains were provided which transported them to two towns, one about one hundred miles and one about thirty miles from Tsinan, and there they were turned loose. The authors of the memorandum were right when they said 'great commotion and disorder will surely prevail'. For the space of several months the hitherto peaceful and prosperous province of Shantung was delivered over to civil war, banditry and rapine. Only when Yuan Shih Kai cancelled his monarchy movement — and died of a broken heart — were these ruffians collected, transported to Tsingtao and shipped back to Shanghai, to the great annoyance — it is interesting to recall — of the Municipal Council of the International Settlement at that port. For several months the *Municipal Gazette* had drawn attention, with pride, to the remarkable absence of serious crime in the Settlement. When it was learned that the bandits were to be shipped back earnest appeals were addressed to the Japanese Consul-General to dispose of them in some other way. They were duly shipped back, however, and the crime statistics of the Settlement quickly climbed back to normal.

The next step proposed in the programme of the Black Dragon Memorandum after the overthrow of Yuan Shih Kai was the selection of a puppet who could be relied on to carry out a policy agreeable to Japan. 'We should then select a man from the most influential and most noted of the four hundred million of Chinese and help him to organize a new form of government and to consolidate the whole country.' In 1939 the Japanese Government thought that they had discovered such a person in the renegade Wang Ching Wei, whom they accordingly set up as the nominal head of a 'Reformed' Chinese Government at Nanking. The

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plan has, of course, proved a dismal failure and the efforts made in the same direction in 1916 were equally unsuccessful. When the strong hand of Yuan Shih Kai was removed War Lords in the provinces seized power and, though the administration of the country at large was carried on without apparent change and indeed with some hopeful signs of progress in various directions, civil war became endemic and was carried on to the accompaniment of the disputes of politicians and futile experiments in Western forms of Parliamentary government. With the aid of money lavishly poured out by Japan a corrupt group of politicians — the notorious Anfu Clique — maintained themselves in power as the nominal Government of China, but this did little to further the ambitions of Japan. She was indeed faced with a perplexing problem, for, in spite of the confusion and disunity on the surface, the traditional solidarity of China and the native vigour of the race was clearly unimpaired; the nationalist movement showed no signs of slackening, and no one could doubt that Japan's attempt at domination would be foiled by the stolid opposition of the mass of the people.

The Japanese failure was due also to a characteristic weakness which has been much in evidence during the present war. Too many tempting prizes seemed to come within their reach at the same time and they could not resist the temptation to try and secure them all instead of concentrating on one object at a time. During the dollar diplomacy period of American Far Eastern policy Russia and Japan had drawn together. The 'neutralization' scheme devised by Knox, the U.S. Secretary of State, with the object of turning the railways traversing Manchuria into international undertakings for the benefit of world trade, and the concession for a great trunk railway from Chinchow on the Gulf of Pechili to Aigun on the Manchuria-Siberia border, artlessly granted by China to American and British interests, were measures aimed primarily at Japan. The object was to 'smoke Japan out of Manchuria', but what affected Japan equally affected Russia, and, for the moment, the two countries had a common interest to defend. When, however, the Bolshevik revolution broke out in 1917, five years after China had become a Republic, a second great empire seemed to be falling into ruins, and Japan felt that she must hasten to help herself to the plunder before the opportunity had passed. She tried to seize control of the Chinese Eastern Railway and Russia's special position in

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North Manchuria, she occupied Vladivostok and the Primorsk and the northern half of Sakhalin; and when she agreed to participate in the Allied intervention in Siberia — one of the strangest and most obscure episodes of the war — she sent a force of over 70,000 men — about ten times as large as the contingent sent by any other Power. She planned to make herself mistress of the whole of Eastern Siberia and to expand the Japanese Empire to the shores of Lake Baikal. But with Russians as with Chinese she miscalculated the spirit of resistance that the prospect of Japanese domination would rouse. After the collapse of Germany, whose victory the Japanese army had confidently expected, Japan was left isolated in a democratic world in which it seemed that aggression of the kind she contemplated would become progressively more difficult and unprofitable. There were other even more compelling reasons that made a change of policy imperative. Opinion in Japan was deeply disturbed by the failure of the forward policy both in China and Siberia. In Shantung the Japanese could make no headway at all and Japanese interests in China generally were seriously affected by the universal hostility which Japanese interference had aroused. The Siberian expedition had been badly mismanaged. It ended in something like a fiasco and the soldiers returned in a dangerously sullen mood and — to the intense alarm of the Japanese Government — infected with the virus of Bolshevism. For the first time in history the Army fell out of favour and even when seven hundred Japanese civilians fell victims to a barbarous massacre at Nicholaeivsk in north-east Siberia it was found impossible to whip up support for further military operations. The only gains Japan had made during the Great War were the consolidation of her position in South Manchuria and to these she resolutely clung through all vicissitudes.

The nationalist movement in Japan thus suffered a check at a time when the prospects for China seemed to be getting brighter. The interests of China had been subordinated both to the winning of the war and the making of the peace, for, as Mr. Lansing has pointed out, neither England nor America were in a position 'to oppose vigorously, if at all, Japan's intentions as to China'. This position, however, had begun to change even before the end of the war, for Japan no longer had the field to herself. Her attempt to reduce China to the status of a vassal struck at the very root of British interests in that country. All vestige of the supposed



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community of interest on which the alliance had originally been based had disappeared, and the growing indignation and alarm — especially among the people of Canada and the United States to whom Japan appeared as a near neighbour — at the unscrupulous methods and generally restless and aggressive character of Japan's foreign policy made the alliance a source of embarrassment and even danger to Great Britain. By the time the Allies had brought their labours at Versailles to a close the main outlines of the New Order which might be set up in the Far East had begun to take shape. Japan was growing weary of military adventures which yielded no profit but brought only hostility, isolation and discredit: she must be encouraged to seek her best interests in future in friendly collaboration with the democratic Powers. China was struggling to evolve a stable and effective form of government and to modernize her administration and her institutions in order to come into line with the sovereign states of the modern world; she had been hampered by Japanese aggression and Japanese interference in her domestic affairs: she must now be given an unembarrassed opportunity to put her house in order and achieve the status of a world Power to which she aspired. The burden of maintaining a great army as well as a great navy was weighing heavily on Japan, who could not hope to compete in future — at any rate at sea — with England and America, the latter of whom in particular emerged from the war with a commanding lead in battleships: the abandonment of aggressive policies by Japan might safely, therefore, be combined with a far-reaching measure of disarmament. Events moved so naturally in the direction of the Washington Conference that it is difficult to determine whether the plan was first proposed in England or America. Like Topsy it just grew, but the success of the conference was assured by the fact that the initiative was taken by America, that it was warmly supported by England, and that throughout the conference there was close and cordial co-operation, based on mutual respect and confidence, between Hughes and Balfour, the leading statesmen on either side. The results of the conference are well known. A way of terminating the Anglo-Japanese Alliance was found by merging it in a wider compact between four Powers instead of two. Spheres of influence in China were abolished, and the principles of the open door and equal opportunity and the independence and integrity of China were solemnly affirmed. England



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and America agreed not to construct fortifications or naval bases in a wide area in the Pacific, including all places, such as Hongkong, the Philippines, the Aleutian Islands, Pago Pago and Guam, which were within striking distance of Japan, and limitation was placed on the capital ships of the three Powers — 500,000 tons each for England and America and 300,000 tons for Japan. Japan's position was thus made impregnable by sea, and in return for this she pledged herself to abandon further aggression against China and to collaborate with the other Powers in a self-denying policy which contemplated that the individual interest of each Power should be promoted, not by competition, but by co-operating to secure the political and economic regeneration of China. The agreements regarding non-fortification and limitation of armaments were the foundation on which were built the future political structure of the Far East. This was set out in the famous Nine Power Treaty of February 6th, 1922, by which the Powers agreed:

(1) To respect the sovereignty, the independence and the territorial and administrative integrity of China.

(2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government.

(3) To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China.

(4) To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly states and from countenancing action inimical to the security of such states.

The agreements reached at the Washington Conference seemed to be a wise and far-sighted attempt to establish in the Pacific region permanently stable conditions based upon satisfaction of the needs and aspirations of the countries concerned. It was the most successful of the conferences held during this troubled period and its results were hailed as a triumph of enlightened statesmanship. Nevertheless, the structure that had been so carefully planned and erected began to crumble away almost immediately after the conference was over. Of the many causes which contributed to

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this result the most important, of course, was the failure of the peace settlement at Versailles.

The Japanese accepted the Covenant of the League of Nations at its face value and their first reaction was to adjust their national policy to the new conditions with a view to making Japan a leading Power in the new world order which the League had introduced. It was a favourable moment for such a development, for the reactionary elements were discredited by their failures in China and Siberia, liberal thought in both domestic and foreign affairs was in the ascendant and, for a time, the feeling was that Japan must not lag behind in her enthusiasm for these idealistic trends in world affairs. America, however, rejected the Treaty of Versailles and refused to join the League and the general retreat from the Covenant began at the first meeting of the Assembly in December 1920. Very soon also Japan began to realize that there were certain matters in which she was vitally interested but which the League, even as originally planned, was not competent to deal.

It is difficult for non-Japanese to realize the almost pathological intensity of the feeling in Japan on the subjects of prestige, national status and racial inferiority. An example of this was the sentimental value which they attached to the Anglo-Japanese Alliance. The alliance when first concluded in 1902 was the first public recognition of Japan as a great Power, and, though every effort was made to meet her wishes on points of prestige and many material benefits were conferred on her by the new arrangements made, she never really forgave the injury to her pride involved in its abrogation. The Washington Conference substituted for the alliance a Four Power Pact, the parties to which undertook to respect their rights in relation to their insular possessions and insular dominions in the region of the Pacific Ocean, and, in case of any threatened aggression, to arrive at an understanding as to the most efficient measures to be taken. Two points arose in connection with the new pact. The first was that Japan insisted that it must be confined to the four great Powers — Japan, America, France and England — and that it must not be made the common property of all the Powers great or small.

The second point was more surprising. Westerners would naturally suppose that Japan would be anxious to make as good a bargain as possible and enlarge the scope of the obligations towards her to be

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assumed by other Powers. In fact she insisted that the pact should not apply to the main islands of Japan. If America did not need Japanese help to defend her homeland neither did Japan need American help to defend the Japanese homeland. The other Powers gave way on this point also, but there is a startling contrast between Japan's attitude and the attitude of Lord Lansdowne in 1902 and 1905 when he went hat in hand to ask for Japanese help in defending India.

The question of racial equality was raised during the drafting of the Covenant at Versailles when the Japanese delegation proposed an amendment which would have bound the members of the League.

to accord to all alien nationals of states members of the League equal and just treatment in every respect, making no distinction, either in law or in fact, on account of their race or nationality.

The Japanese were probably innocent of any intention of placing their Western colleagues at a tactical disadvantage, but this proposal brought out into the open the awkward fact that cases arise where men in the mass are moved by emotions which plans for the pacific settlement of disputes, however wise and reasonable, are incapable of controlling. The question of oriental immigration into America, which loomed behind the Japanese amendment, possessed all the qualities of dynamite. When the amendment was passed by 11 votes to 6 President Wilson ruled that it had been lost because it had not been adopted unanimously. No other course was open to him, but the Japanese delegation registered Japan's 'poignant regret' at this failure to realize a 'deep-rooted national conviction'.

President Wilson had acted wisely in keeping oriental immigration out of the arena of public discussion but developments were already taking place which were destined very soon to sweep the whole question out of the control of statesmen or governments. Immigration did not become a serious factor in America's relations with Japan until 1900, but for many years before that Chinese immigration had caused serious difficulties. The Chinese had at first been welcomed in America. The Burlinghame Treaty with China of 1868, which recognized the right of Chinese to immigrate as permanent residents, was to some extent made in the interests of big business, to whom labour was valuable in an era of rapid expansion, but was far more a reflection of the idealism of philan-

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thropic, missionary and other bodies which have always exercised so powerful an influence in America. These, however, had to give way before the violent prejudice against oriental immigration which quickly sprang up on the Pacific coast. In 1876 a Congressional committee reported that the white population of California was in danger of being outnumbered by the Chinese and recommended legislation to restrain the 'great influx of Asiatics into this country'. The history of the next twenty-five years is summarized by an American writer as follows:

The United States could, and did, ignore Chinese wishes with impunity. It violated existing treaties and dictated others in an overbearing manner. When China balked at the harsh terms demanded by the State Department, Congress dispensed with treaty sanctions altogether, and enacted laws that were even harsher. Scant allowance was made either in California or in Washington for the sensibilities of a proud and friendly people. The persecution of Chinese subjects in the United States was winked at by the Courts and, in effect, condoned by the federal government.

This culminated in the Chinese Exclusion Laws passed by Congress in 1902 and 1904 permanently excluding all Chinese except teachers, students, merchants, travellers and government officials, from the United States and all its possessions. The nationalist movement in China had by this time made some headway and the Chinese people, reacting for the first time as a national unit against external pressure, organized a large-scale boycott against American trade. This 'did not induce the United States to alter its immigration policy. But it did focus American attention on the abuses of treaty rights and inhuman practices prevalent in the enforcement of the immigration laws of which the Chinese Government had complained in vain to the State Department', with the result that the immigration laws were administered 'more efficiently, more justly, though no less rigorously after 1905'.

Difficulties over Japanese immigration first arose in Hawaii. By treaties signed in 1875 and 1884 the Government of Hawaii granted to the United States exclusive commercial privileges and the right to build a naval base at Pearl Harbour and promised not to alienate territory to any other power. The United States in fact obtained a sphere of influence

similar to that which it was quite falsely declared the British had obtained in the Yangtse valley. This was soon followed by a revolution and the establishment of a government, dominated by Americans, which for many years endeavoured to bring about annexation by America. The regular importation of contract labourers had begun under the terms of a convention between Hawaii and Japan signed in 1886, but in 1897 the American dominated Hawaiian Government suddenly refused to admit any more Japanese, and ships with about 1000 contract labourers on board were forced to return to Japan. The Japanese Government, unlike the Chinese, took a strong line and seemed determined to assert its rights as regards both the immigration and the annexation questions. Annexation, which might involve the extension of American customs, navigation and immigration laws to Hawaii, would be detrimental to Japanese interests. The Japanese attitude, however, stimulated the rising spirit of imperialism in America and made annexation certain. This was effected on August 12th, 1898, Japanese acquiescence having been purchased by payment of the compensation demanded from the Hawaiian Government.

The Japanese had watched the humiliating treatment to which the Chinese had been subjected in America over a period of many years — treatment for which no redress could be obtained because China had fallen into decay and her Government was powerless — and they had tried to avert the passage of a Japanese exclusion law by preventing emigration which might cause disputes or give rise to agitation. In 1900, when anti-Japanese agitation nevertheless suddenly broke out in California, this policy was continued and the issue of passports to labourers bound for the United States was suspended. During the Russo-Japanese war, however, the agitation flared up again. The San Francisco Board of Education announced a plan for segregating Japanese school children, as had long been done with Chinese children, in special schools in order to save the white children from the effects of 'association with pupils of the Mongolian race'. The total number of Japanese children in San Francisco schools was ninety-three, of whom twenty-five were American citizens. President Roosevelt was seriously alarmed at the reckless action of the people of the Pacific slope but realized that feeling would steadily become more hostile unless the immigration of Japanese labourers was stopped. This was effected by the famous Gentleman's Agreement of 1907 by

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which Japan voluntarily prohibited the emigration to America of all who were not either (1) former residents or the parents, wives or children of former residents; or (2) settled agriculturists. She also exercised strict supervision over the emigration of labourers to territory contiguous to the United States. The segregation order was cancelled and the Gentleman's Agreement operated with complete success for fifteen years from 1907 to 1924. The only difficulty that arose was in connection with the 'picture brides' — women who had married by proxy and emigrated under the agreement to join their husbands in America. This caused a further outbreak of agitation at a time when, owing to Japan's disreputable behaviour in China during the Great War, relations between Japan and America were strained. Again Japan met the wishes of the American Government and agreed to cease issuing passports to female emigrants after February 1920.

In 1921 and 1922 Acts were passed by Congress establishing the quota system for immigrants in order to check the threatened flood from war-stricken Europe. In 1922 the Japanese were declared ineligible to citizenship by a decision of the Supreme Court and were thus placed in the same category as the Chinese who had been made ineligible by the Chinese Exclusion Act of 1882. The Californian representatives immediately introduced into Congress a Bill prohibiting the immigration of persons ineligible to citizenship, and in spite of the protests of the Japanese Government and the most strenuous exertions of the United States Administration popular clamour proved too strong. By the application of the quota law Japanese immigration could have been cut down to 250 a year and the Japanese Government would have accepted this without demur because no discrimination or imputation of racial inferiority would have been involved. Nevertheless, on May 15th, 1924, the Bill was passed by overwhelming majorities.

The Covenant of the League provides no machinery for the settlement of a dispute arising out of a matter which is within the domestic jurisdiction of one of the parties. The agitation in America over immigration coincided with discussions at meetings of the League of the Geneva Protocol, the object of which was to remedy this and other defects of the Covenant. The Japanese Delegation at Geneva accordingly proposed that such disputes, though excluded from a formal judgment of the Council

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under Article 15, should be submitted to the procedure of conciliation under Article 11, and that no Power should be adjudged an aggressor in such a dispute if it had brought the matter before the League under that article. The British Dominions, who had followed America's example in excluding Japanese immigrants — though not in the same insulting manner — 'were reluctant to admit in terms that their domestic legislation on immigration questions could in any event be discussed or challenged by the League; and it soon became clear that, on this ground if on no other, they would refuse to ratify the protocol'.

The material advantages conferred on Japan by the Washington Conference and the material damage which she suffered by the closing of possible outlets for her surplus population were in her eyes as dust in the scale compared with the injury to her pride involved in the abrogation of the Anglo-Japanese Alliance, in the insults of the people of California and of the American Congress, and in the failure of the West to give due consideration to Japan's special point of view. Japan values wealth and power chiefly as a means of securing from other countries the deference due to an acknowledged leader. Economic factors, such as access to markets and raw materials, played only a subsidiary part in turning Japan away from collaboration with the democratic Powers. It was chiefly for sentimental reasons that, after 1924, the Japanese became more and more doubtful whether their ambitions could be realized within the framework of the Covenant and the League of Nations.

## CHAPTER XII

### TUTELAGE AND BORODIN

THE statesmen who collaborated with such success at Washington could hardly have foreseen that so disastrous a clash would so soon take place between Japanese nationalism and a similar movement in America. There were, however, certain weaknesses in the structure erected at Washington which contributed towards its subsequent disintegration. The formal abolition of spheres of influence did nothing to impair the special position in Manchuria which Japan had inherited from Russia and which she had done much to fortify by means of subsequent agreements with China, some of them deriving from the Twenty One Demands. Japanese, including nearly a million Korean settlers, who since 1910 had become Japanese subjects, enjoyed the privilege of extraterritoriality and were therefore immune from the jurisdiction of Chinese laws and Chinese courts. Nevertheless, they were not restricted to treaty ports as in China proper but had the right to reside anywhere in the interior of South Manchuria and to acquire land for agriculture and for any kind of trade or industry. In theory other Powers enjoyed under the most favoured nation articles of their treaties the same rights of residence and trade in Manchuria as the Japanese, but in practice the powers wielded by the South Manchuria Railway Company made the exercise of such rights without its consent impracticable. The South Manchuria Railway Company, which was in effect a department of the Japanese Government, was used as the instrument for the industrial and economic development of Manchuria. The Company was authorized to engage in mining, electrical enterprises, warehousing and many other branches of business. It was entrusted, in the railway area, with functions of administration and was allowed to levy taxes. Through the S.M.R. Japan administered the railway areas including several large towns and sections of such populous cities as Mukden and Changchun: in those areas she controlled the police, taxation, education and public utilities. She maintained armed forces in many parts



of the country: the Kwantung army in the leased territory, railway guards in the railway areas, and consular police throughout the various districts. She also governed the leased territory, including Port Arthur and Dairen, with practically full rights of sovereignty. As the Lytton Report pointed out ten years later, after the event, the exceptional rights which Japan had acquired so restricted the exercise of China's sovereignty that a conflict between the two countries was a natural result.

In 1921 it was believed that Japan, by adhering to the Consortium agreement of the year before, had, to some extent at any rate, relinquished her sphere of influence in Manchuria. This as we shall see was wishful thinking. The Consortium, like the Nine Power Treaty, was an attempt to remove the danger of war and the threat to China by substituting co-operation for competition. During the Battle of the Concessions foreign Powers applied political pressure to secure concessions for their nationals. Great Britain, the Power (after China) chiefly affected, took the first step to avert the evils resulting from this practice. The financial and industrial interests of the countries concerned were encouraged to come together and pool their interests so that it should be unnecessary for each to call upon its government for support against the government of its rivals. This policy was extremely successful. When it was found, for example, that railway concessions granted to British concerns were in practice shared with German, American and French interests the violent political rivalries which at one time threatened to end in the partitioning of China died down. Moreover, the urge to carve China into spheres of influence grew weaker after the rise of the nationalist movement in the twentieth century. But when China felt herself strong enough to negotiate over railway concessions on more or less level terms these group arrangements became extremely distasteful to her. They carried with them the stigma of inferior national status and they deprived her of the opportunity of playing off one nationality against another and so obtaining the best possible terms from each.

At the outbreak of the revolution in 1911 there was in existence a Four Power Consortium — an agreement between banking groups in England, Germany, France and America — to share on equal terms in Chinese Government business. Both Chinese and British were by this time thoroughly dissatisfied with this group method of doing business,

but at this moment there arose the question of making large loans, not for specific industrial enterprises, but for the purpose of providing the necessary funds to enable the new Republic to establish a stable government. The Consortium was therefore reconstituted for the purpose of political loans only. This necessitated the admission of Russia and Japan with the result that the Consortium, the original idea of which had been to safeguard the independence of China, now came to be regarded by the Chinese with the deepest suspicion as an instrument for fastening foreign control upon China. It affords a good example of the constant alertness of mind required to adjust policy to the changing psychology of the Far East. The Wilson Administration disapproved the dollar diplomacy of President Taft and withdrew from the Consortium, but towards the end of the war, when Japan's aggressions had created general alarm, the American Government proposed to reconstitute the Consortium for both industrial and political loans.

The new Consortium agreement was signed in October 1920, a year before the Washington Conference, but none of the statesmen at Washington realized that it had been stillborn. The Japanese at first desired that Manchuria and Mongolia should be excluded from the scope of the agreement, but when this was refused, they contented themselves with imposing conditions which, in practice, made it certain that no railways would be constructed with funds provided by Consortium loans floated in the world's money markets. Japan's dominating position in Manchuria was thus secured. Japan has always benefited by the wishful thinking of those who, for one reason or another, shut their eyes to the significance of her continental ambitions. In 1904, on the eve of the Russo-Japanese War the American Ministers to Japan and Korea respectively were both strongly in favour of Japanese annexation of Korea, and Rockhill, the greatest authority on Far Eastern affairs in America, thought that this was 'absolutely indicated as the one great and final step westward of the Japanese Empire'. Twenty years later, after Japan had ensured that the Consortium should not interfere with her hegemony in South Manchuria, Arnold Toynbee expressed the view that by these negotiations a western limit had been set to the progress of Japanese economic penetration on the Asiatic mainland.

In 1920, the Chinese nationalist movement was rapidly entering upon

its most militant phase and China was deeply offended because the Consortium agreement had been concluded over her head. The democracies had been actuated by the most beneficent motives, but the Chinese Government had not been consulted and no Chinese banking group was a party to the agreement. The chief defect both of the Consortium and the Washington Conference — a defect which was only revealed by the developments of later years — was the failure to appreciate the strength of the nationalist movement in China and the speed and direction of its development. Since 1900 Chinese students had flocked in large numbers to foreign countries and there was great eagerness to acquire the knowledge of the West. Several different revolutions — social, economic, political — were in simultaneous ferment. Far-reaching reforms were attempted in the educational, fiscal, legal and administrative systems, involving great changes in social institutions and, in many cases, the uprooting of traditions which had come down from the dawn of history. Great and hopeful progress was made in many directions but the lack of example and leadership from the Manchu dynasty — now in the last stages of decay — was a severe handicap. The leaders of the movement were groping blindly after some new principle which could take the place of the old Confucian idea of empire and provide the country as a whole with a stable and efficient administration under a central authority to which all regional authorities would consent to look for inspiration and direction. As the years went on, however, this central problem seemed no nearer solution.

Great hopes were entertained when China became a Republic in 1912, but the movement which overthrew the Manchu dynasty was essentially a revolt against the attempt of the central authority to impose control in matters, for example, such as railway construction which affected the interests of the provinces. The Revolution, in fact, put the clock back by giving an impetus to the centrifugal forces which were soon to deliver China over to a decade and more of senseless civil wars. An even more disastrous consequence was that, instead of raising China's national status, it fastened the bonds of foreign tutelage more firmly on her. Two examples will serve to illustrate how this happened.

In the International Settlement at Shanghai there had long been established a Chinese court to administer justice to the Chinese residents

in the Settlement who numbered no less than about a million. Its name the Mixed Court, disguised the fact it was a purely Chinese Court administering Chinese law and presided over by a magistrate appointed by the Chinese Government. In criminal cases, as good order in the Settlement was deemed to be a foreign interest, a foreign assessor sat alongside the magistrate. In civil cases between Chinese no assessor sat. When the Revolution came to Shanghai the Taotai — the chief Chinese official — requested the consular body to take temporary charge of the court and handed over the balance of the court funds to them. This was the beginning of a wholly anomalous regime under which the consular body appointed Chinese magistrates who were paid by the municipal council. In every case, including civil cases, foreign assessors sat and foreign lawyers argued points of foreign law in what was still in theory a Chinese court. After twelve years had elapsed and much bitter feeling had been aroused the court was at length returned to Chinese control.

The case of the Maritime Customs Administration was far more serious. Sir Robert Hart had just retired and his successor reversed what had been the fundamental rule of the administration during the fifty years of Hart's regime. The foreign staffed administration had merely accounted for the revenue it was instrumental in collecting but had never handled the actual cash. The responsibility of banking and disposing of the revenues rested solely with the Chinese authorities and it was they who had established and maintained China's splendid reputation for the faithful performance of her obligations. Even during the Boxer Rebellion of 1900 — a far more serious crisis than the Revolution — all loan payments were regularly met as they fell due. In 1911 the dynasty fell like a rotten pear. There was very little bloodshed and the Revolution was conducted in an orderly and considerate manner. At many treaty ports, however, there was a period of confusion when officials were changing sides or new officials were assuming power, and somehow or other it happened that the foreign commissioner of customs at each port assumed the duty of collecting, banking and remitting the revenue, which had formerly been performed by the chief local official, and the Inspector-General of Customs at Peking assumed the duty of meeting the obligations secured upon the revenues. The next step was the signature of an agreement at Peking, by which the Diplomatic Body were constituted trustees of the customs

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revenue with the duty of seeing that they were used to discharge the obligations secured upon them and that only the surplus was released to the Chinese Government.

One must avoid using strong language about this development because everything was done with the best intentions and with the consent and approval of all concerned, including the Chinese themselves. For fifty years Sir Robert Hart had taken extreme pains to be the faithful servant of the Chinese Government and the zealous guardian of China's sovereign rights. His successor became the instrument by which the foreign Powers encroached upon those rights and imposed a form of tutelage which involved much injustice and roused bitter resentment. If the Diplomatic Body for any reason, good or bad, chose to veto the release of revenue the Inspector-General was bound to obey the decision of the foreign governments rather than the orders of the Government whose servant he was supposed to be. Moreover, both the Diplomatic Body and the Customs Administration were drawn into the vortex of Chinese domestic politics. The customs revenues were released to the Peking Government, but, when civil wars became endemic, great resentment was caused in Canton when her own revenues, which the local Government was not allowed to collect herself, were used against her by Peking.

Many things, however, which are clear to-day were by no means clear at the time they happened twenty or thirty years ago. Even the change in the position of the Customs Administration was not recognized as the disaster that it undoubtedly was. Many indeed thought that it was a move in the right direction. After the death of Yuan Shih Kai China for several years presented a sorry spectacle of politicians quarrelling and Tutchuns waging civil war against a background of futile attempts to copy the parliamentary institutions of the West. Those who desired to see China united, strong and prosperous, her warmest admirers and well wishers, found it difficult to believe that any real progress could be made except with foreign help and guidance. The statesmen who took part in the Washington Conference obviously considered that tutelage must continue for an indefinite time to come and nothing was therefore done to meet even the major grievances of the Nationalist Party or to restore the measure of control over her own affairs that China had possessed at the time of the Revolution. The major grievances were extraterritoriality

and tariff autonomy. In treaties made in 1902 and 1903 England and America had promised to abolish extraterritoriality when the time was ripe. Now after the lapse of nearly twenty years the conference went no further than to decide to appoint a commission to inquire into the whole subject and make recommendations for the consideration of the foreign governments concerned. The prospects of achieving tariff autonomy seemed even less promising. The Washington Conference merely decided that China might be allowed to increase her tariff from five to seven and a half per cent provided that the additional revenue were allocated under foreign control to purposes approved by foreign Powers. The details of how this tutelage should be imposed were to be settled at another conference — the Tariff Conference — to be called in a few months' time. The Chinese representatives at Washington wisely took all that they could get, but the fact that it was mainly China's own fault that so little progress was being made did not lessen the feeling of exasperation and frustration in nationalist circles in China. The Nine Power Treaty came to be regarded as just another addition to the list of 'Unequal Treaties', and, to the bewilderment of England and America, the Washington Conference was followed by a deepening of the political confusion in China and a definite increase of anti-foreign feeling. The Tariff Conference was delayed for three and a half years and only met in the autumn of 1925, but in the meantime Soviet Russia, who in 1921 was still suffering from the effects of the Bolshevik Revolution and was not represented at the Washington Conference, had reappeared in the Far East and the Chinese nationalist movement had in consequence taken a dramatic new turn.

Revolutions had been in progress for some years simultaneously in Russia and China. There was more than a superficial resemblance between Russia's fight to throw off the shackles of capitalism and set up a proletarian State and China's struggle to abrogate the unequal treaties, get rid of the curse of militarism and establish constitutional government. Each revolution took an intense interest in the fortunes of the other, and when the Russian revolution was clearly succeeding in setting up a stable regime it is not surprising that many of the young intellectuals in China began to think that the experience of Russia might point the way to a solution of the difficulties in China. Russian communism never made much progress in China. It was in the technique, methods and organiza-

tion of revolution that Soviet Russia made her chief contribution to the eventual triumph of the Nationalist movement in China.

In the autumn of 1922 Dr. Joffe was appointed head of a Soviet Mission to the Far East. Dr. Sun Yat Sen — the founder and leader of the Nationalist movement — had just been driven out of Canton by a local civil war and was sheltering in the foreign settlements at Shanghai. He had several long discussions with Joffe and when he returned to Canton in 1923 and resumed his position as Head of the separatist government which had seceded from Peking six years before he was followed by a number of Soviet advisers, including two men — Borodin and Galen — who were destined to play a very important role in China during the next five years. The political and military reorganization effected by these two men enabled the Nationalist Party — the Kuomintang — rapidly to extend its control over the whole of China, overthrow the recognized Government of China established in Peking, and set up a new 'National Government of the Republic of China' at Nanking in October 1928.

One of the many myths that have sprung up like weeds in modern Chinese history relates to this period. Sun Yat Sen, so the story goes, asked England and America to help him establish democratic institutions in China and it was only when they refused that he turned in despair to Soviet Russia. The young Chinese intellectuals, who were rather ashamed that Nationalist China had walked into a Soviet trap, were glad of such a good excuse to shift on to other shoulders the blame for the evils inflicted on the Chinese people by the Comintern's attempt to capture the Kuomintang for the cause of communism and world revolution. This is a most unfortunate attitude, for the harm that China suffered from the Comintern is far outweighed by the value of the services rendered by Borodin and Galen. The story also provided just the kind of facile simplification that saves the foreign writer a lot of trouble. It has, therefore, been copied uncritically into almost every recent book on the Far East, and a false picture of the most crucial period in the modern development of China now passes muster as authentic history. The Lytton Report has an excellent description of the state of China while she was groping after some form of constitutional government:

There were several attempts to reinstate the 1913 Parliament, which had been introduced by Yuan Shih-kai, or to convene bogus Parlia-



ments; two attempts to establish monarchical rule, many changes of Presidents and Cabinets, continuous shifting of allegiance among military leaders, and many declarations of temporary independence of one or more provinces. In Canton, the Kuomintang Government, headed by Dr. Sun, succeeded in maintaining itself from 1917 onwards, with occasional intervals during which it ceased to function. During these years China was ravaged by warring factions; and the ever-present bandits grew into veritable armies by the enlistment of ruined farmers, desperate inhabitants of famine stricken districts, or unpaid soldiers. Even the constitutionalists fighting in the south, were repeatedly exposed to the danger of militarist feuds arising in their midst.

At the time of the Washington Conference in 1921,

China had two completely separate governments, one at Peking and one at Canton, and was disturbed by large bandit forces which frequently interfered with communications in the interior, while preparations were being made for a civil war involving all China. As a result of this war, which was preceded by an ultimatum sent to the Central Government on January 13th, 1922, when the Washington Conference was still in session, the Central Government was overthrown in May, and the independence of Manchuria from the government installed at Peking in its place was declared in July by Marshal Chang Tso-lin. Thus there existed no fewer than three governments professing to be independent, not to mention the virtually autonomous status of a number of provinces or parts of provinces.

To complete this picture here is a description of Sun Yat Sen taken from the interesting but highly inaccurate account of Soviet activities in China in Borkenau's recent work *The Communist International*:

Sun Yat-sen was the founder of the Kuomintang, the 'People's Party', which to-day is the official ruling party of China. The communists have repeatedly very closely co-operated with the Kuomintang, sometimes have been members of it, and have accepted most of of the basic ideas of Chinese nationalism and of the teachings of Sun



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Yat-sen. Both the Kuomintang and the communists, very naturally, consider Sun Yat-sen a political genius. But practically all those who have met Sun Yat-sen without being imbued with the admiration of the disciple for the leader, have drawn a very different picture; English 'bourgeois' observers agree with a detached and educated communist such as M. N. Roy about the outstanding feature of Sun Yat-sen's political activity: he was a schemer. He was continually brooding over conspiracies and alliances. He set hopes, inadequate hopes, upon every possible ally. He was deceived again and again; he shifted his basic views as often as an old ally had to be discarded and a prospective new one appeared on the scene. While singleness of purpose, clear and definite knowledge about the essential of the situation were the outstanding characteristics of Lenin, vagueness of practice and theory was always the outstanding feature of Sun Yat-sen. He alternately admired the United States, Japan, and Soviet Russia. He believed in the power of a small group of conspirators to change China; turned a bourgeois democrat; allied himself with various sets of ambitious generals, repeatedly surprised as often as they eventually pursued their own aims, and not his ideals: a very bad judge of character indeed. He would not have been deified by the communists had he not happened to be in alliance with them during the last two years of his life, a sudden convert to revolutionary mass movements, as he had been a convert to half a dozen other political systems before. But he was one of those men who are certain to be deified by their own people after their death because they express naively and unpolitically certain political ideals cherished by the nation. As long as such people live they are everybody's playthings; when dead they are everybody's heroes.

This, of course, omits some of Sun Yat Sen's most remarkable characteristics, but there is enough truth in this unflattering portrait, combined with the picture of Chinese conditions given in the Lytton Report, to make one view with caution easy generalizations about establishing democratic government in China. It will hardly be contended even by the most ardent critic of his own country that England and America should have plunged into these Chinese civil wars and helped one of the factions,

whose principles happened to meet with their approval, to overthrow the recognized government at Peking. It is perfectly true, as Borkenau says, that Sun was always brooding about alliances and that vagueness in practice and theory was his outstanding characteristic. Just before his meeting with Joffe his leading idea was that his government should be on friendly terms with all other countries without leaning specially on any one of them. He had many conversations with British officials and asked for assistance in obtaining foreign experts for various branches of the Canton administration. Most probably similar requests were addressed to French and German and Italian officials also, but what action, if any, they took is, of course, not known. Every effort was made to comply with the requests made to British officials, for this was the sort of assistance that might reasonably and properly be extended to a regional government such as Sun's, but owing to Sun's 'vagueness' nothing ever came of it. British experts cannot be expected to serve the Chinese Government in Canton unless there is a contract of service, a salary assigned and reasonable expectation that it will be paid. But these were details to which Sun never cared to give his attention. No such considerations, however, applied to the Soviet advisers who came to Canton in 1923. It is quite untrue that Sun turned away from England and America to Soviet Russia. It was Soviet Russia — or rather the Comintern — who turned to Sun. The Soviet advisers came to Canton, provided with very large sums of money, for the express purpose of capturing the Kuomintang, swinging the whole Nationalist movement on to communist lines and beginning the world revolution in China. This phase of militant communism passed away some five years later, when Trotsky was expelled from the Party, but it had remarkable consequences in China.

The first service that Borodin rendered to Sun Yat Sen and the Nationalist cause was to plan a reorganization of the Kuomintang which turned it into an effective instrument for the attainment of political ends. Strict party discipline and unity of action were enforced through a Central Executive Committee. The political ends to be attained were defined by Dr. Sun — at Borodin's suggestion — in a 'Manifesto' and in a course of lectures which, under the title of the 'Three Principles of the People', immediately acquired scriptural authority throughout Nationalist China. The committee form of administration was adopted for both Party and

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Government, and, as in Soviet Russia, only one political party, the Kuomintang, was allowed to exist. The Kuomintang, acting on behalf of and as trustee for the people, would exercise all political powers belonging to the people: it would establish and control a national government, simultaneously training the people in the exercise of political power; when the people had received sufficient training the period of tutelage would end, political power would be handed over to the people and full constitutional government would be inaugurated. Finally Borodin impressed upon Dr. Sun the importance of securing the assent of the people at large to the revolutionary programme that had been mapped out. This was to be effected by organizing local branches of the Kuomintang — Tang Pu — and by systematic propaganda conducted by men trained in the use of slogans and all the other arts of the professional propagandist. This scheme of reorganization was adopted on January 1st, 1924, and, two years later, when the Kuomintang armies similarly reorganized and trained in the doctrines of nationalism, were ready to march against the northern militarists, practically the whole of China had already been swept into the Nationalist fold.

All the aims and aspirations of Chinese nationalism may be summed up in the phrase — the 'unequal treaties' — and the unequal treaties were almost entirely the work of Great Britain. For about two hundred years all the Powers had been content to shelter under her wing and to leave her to take the lead in obtaining, maintaining and enlarging the privileges which they all enjoyed by virtue of the most favoured nation clause. Great Britain had won a position of such predominance that she bore the brunt of every Nationalist grievance. Almost every question involving China's sovereign rights — extraterritoriality, the International Settlement, the Mixed Court, tariff autonomy, the Customs Administration, foreign control of revenues — was primarily an issue between China and Great Britain. It was the penalty she had to pay for greatness, but no one observed, least of all the British themselves, that the foundations on which Great Britain's position had been built up — sea power and the lion's share of China's trade — had silently crumbled away. Chinese resentment at the unequal treaties and at what seemed to her the failure of the many promises made by the democratic powers to lead to concrete results found expression in a steadily growing anti-foreign sentiment.

Borodin pointed out that here was a force that was being dissipated to the great disadvantage of the Nationalist cause. Anti-foreign agitation directed against foreigners in general could achieve nothing, but if the Kuomintang were to single out Great Britain and concentrate all the agitation against her good results might be expected. Borodin was favoured by fortune for an accident led to these tactics being adopted in the fullest possible measure. Labour conditions in Japanese cotton mills in Shanghai gave rise to an agitation led by students, a mob demonstrating in the main thoroughfare in the International Settlement was fired on by the municipal police and a bitter anti-British strike and boycott sprang up all over China and lasted some eighteen months. This happened on May 30th, 1925, and the long deferred tariff conference met a few months later.

It is a remarkable fact that when the tariff conference met the foreign governments and their delegates were, with one accord, still thinking in terms of tutelage and foreign control. The Lytton Report gives many excellent reasons why it would have been dangerous at the time of the Washington Conference, most of all to China herself, to impose upon her the obligations of a fully sovereign state, and those reasons only seemed to have acquired added force in the four years that had elapsed. It was indeed a vicious circle. Refusal to relax foreign control was the cause of anti-foreign feelings and anti-foreignism made it premature to relax control. The delegates wrangled for many months in Peking against a background of civil war and with the ever present fear that the Chinese Government with whom they were negotiating might fade away before the advance of the Kuomintang armies who had already started out from Canton on their northern expedition. The delegates were trying to agree on the objects on which the Chinese Government should be allowed to spend the additional revenue which it was proposed to grant her. They still contemplated that the Customs Administration would be used as the instrument through which the foreign Powers would control the expenditure of the revenue and they thought that taxation in the interior of China might be regulated, both as regards amount and methods, by a treaty which they would impose on China. It was not merely the imperialistic British who entertained these ideas or who thought that the Customs Administration, because it had been created and was controlled by British subjects, could accomplish miracles. Many absurd proposals had been

urged in the previous dozen years, as that the customs should superintend the disbandment of troops by recalcitrant war-lords, or organize and take charge of a police force to put down banditry in the interior. But (as Mr. Stanley Wright tells us in his monumental work *China's Fight for Tariff Autonomy*) it was the American delegates at the Tariff Conference who insisted that the Diplomatic Body should decide which Chinese authority was entitled to the surplus customs revenue, and who proposed that if any province levied the tax on internal trade known as *likin*, the Customs Administration should impose a fine and deduct the amount of the fine from the revenue due to the province under the allocation approved by the foreign Powers.

To the British Government belongs the credit of seeing that if order and stability were ever to reign in the Far East, an entirely new basis must be found for the relations between China and the foreign Powers. The new policy began to take shape in a memorandum addressed to the American Government in May 1926, when the tariff conference appeared to be fading out. The memorandum pointed out that the Powers, after solemnly agreeing to respect China's sovereignty, had in fact encroached on it in various ways. This was 'so fundamentally opposed to the traditional policy of the United States towards China that His Majesty's Government are disposed to believe that the State Department will share their anxiety on this subject'. Various measures were suggested for winding up the tariff conference without imposing control or exacting guarantees, and the British Government expressed their confidence 'that a policy, so closely in accord with the friendship and generosity always displayed by the United States of America towards the people of China will receive the full and cordial support of the United States Government'.

Six months elapsed during which it became clear that the reorganization of the Kuomintang was bearing fruit and that the Nationalist cause was making rapid progress. It became an urgent matter that some attempt should be made to exorcise the bitter feelings that might easily swing the Kuomintang, in the moment of its triumph, into violently anti-foreign courses. The Nationalists believed that the sympathy which had been so often expressed on paper was lip service only and that they had been put off with promises which there had never been any intention of keeping.

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The British Government, therefore, decided that immediate action was necessary. In December 1926 they announced, in a document known as the December Memorandum, the principles on which their future policy in China would be based. Foreign control should not be forced upon an unwilling China, and the idea that the economic and political development of China could be secured under foreign tutelage should be abandoned. Responsibility should be placed where it properly belonged, namely, on the shoulders of the Chinese themselves. For example, it was for the Chinese and not foreigners to decide which authority was entitled to the surplus customs revenue, and this could quite easily be effected by reverting to the pre-Revolution practice of leaving the revenue collected at each port to the free disposal of the local officials at that port. There were many grievances and anomalies which could be swept away in the same manner, and it was, therefore, a great mistake to make the absence of a strong central government an excuse for standing pat and doing nothing about the unequal treaties.

The memorandum was made public and a copy was communicated to each of the signatories of the Nine Power Treaty with an invitation that they should subscribe to the same principles and act on them in future. For a time the Chinese believed that this was just another paper promise. The British Government, however, in spite of all technical difficulties, took immediate action, on the lines laid down in the memorandum, over a wide range of subjects, including the customs revenue, the leased territory of Weihaiwei, the concessions at Chinkiang, Kiukiang, Hankow, Tientsin and Amoy, the Mixed Court at Shanghai and the procedure in mixed cases generally. Gradually the whole atmosphere changed. The extremists lost ground, the Comintern plot to capture the Kuomintang was exposed and the Soviet advisers were sent back to Russia. So long as Chinese feel that foreigners stand in the way of their country's full enjoyment of her sovereign rights there must naturally be a certain anti-foreign feeling, but from this time onward it lost most of its former bitterness and virulence.

A year and a half after the date of the December Memorandum, when the Kuomintang had finally triumphed and a national government had been established in the new capital at Nanking, the relations between this government and Western countries had been placed on a reasonably

friendly footing. Great Britain, in particular, had regained her prestige and her position of acknowledged leadership, but she was no longer using this position to maintain the 'unequal treaties' for the benefit of foreign Powers in general. She now took the lead in dealing with the two major problems of tariff autonomy and extraterritoriality. The former, though a major grievance, presented no very serious complications, but the abolition of extraterritoriality involved the problem of introducing a new regime to take the place of the treaty port system which had been in force for ninety years, without too great injury to established interests or too violent a disturbance of the accustomed relations between Chinese and foreigners. Excellent progress was being made with this difficult task when it was violently interrupted by the Japanese attack on Manchuria in September 1931. For this catastrophe errors of judgment on the part of the Chinese Government were to some extent responsible.

The great defect of the Nationalist movement had always been that it found its chief stimulus in China's external relations. The lowly position which China occupied in the family of nations was in large measure due to the political confusion — the civil wars and misgovernment — which had almost come to be regarded as China's normal condition. There was much honest seeking after reform and good government, but this did not inspire the same enthusiasm and pertinacity as the campaign for the abrogation of the unequal treaties and for achieving equal national status with Western Powers. Chinese politicians were wont to make the excuse that administrative reforms were hindered by the encroachments on Chinese sovereignty, but they deceived no one but themselves. It was in fact the old Confucian weakness which prized a fine and noble exterior but cared less for the reality beneath.

When the Nanking Government was finally established and the Western Powers hastened to negotiate treaties on a basis of equality, this sudden success went to the heads of the Kuomintang politicians. The new administration represented a great advance on anything that China had known before, but the urgent tasks of rehabilitation and reform presented less attraction for the politicians than the prospect of further spectacular triumphs in the field of foreign relations. Almost immediately after the new Government had been established, and before there had been time to consolidate its position and achieve a real measure of re-unification



between the various semi-independent groups and leaders, the Kuomintang embarked upon the ambitious project of recovering the sovereign rights that had been lost to Russia and Japan in Manchuria.

Since 1918 Manchuria had been an administrative unit governed by Marshal Chang Tso Lin. 'Like the war-lords of any other province, the marshal alternately supported, attacked or declared his territory independent of the Central Government but never in such a way as to involve the partition of China into separate states'. When he invaded China, as not infrequently happened, he came, not as a foreign enemy, but as a participant in China's civil wars. In 1928 he had invaded north China and made himself head of the so-called Central Government at Peking. On the approach of the Kuomintang armies he evacuated Peking and withdrew to Manchuria, but the special train in which he was travelling was blown up by a bomb just outside Mukden station. There is no doubt he was murdered by the Japanese. The rights recovery movement against both Russia and Japan in Manchuria had already begun some years since and the Japanese thought it was time that Chang Tso Lin should be removed from the scene. He was succeeded by his son, Chang Hsueh Liang — the Young Marshal — who not unnaturally was even more hostile to the murderers of his father than Chang Tso Lin had been. The Japanese desired to exclude Kuomintang influence from Manchuria. The Young Marshal accepted appointments and titles from Nanking, hoisted the Kuomintang flag, and opened Manchuria to well organized and systematic Kuomintang propaganda.

The brunt of the Kuomintang attack was directed first against Russian interests in North Manchuria. In May 1929 the Chinese police raided Soviet consulates at various places. In July the telegraph and telephone systems of the Chinese Eastern Railway were seized and several important organizations were forcibly closed. The Soviet manager of the Chinese Eastern Railway was removed from his post, many Soviet citizens were arrested and others deported. In November 1929 Soviet armies invaded North Manchuria and within a month the Chinese, after suffering defeat and much humiliation, were forced to yield to all Soviet demands and agree to the re-establishment of the *status quo*.

This fiasco should have served as a warning to Chang Hsueh Liang and the Kuomintang, but the wisdom that adapts policy to the means of



executing it is not a conspicuous feature of the Chinese character. For many years before the extension of Kuomintang influence into Manchuria the main object of Chinese policy had been to restrict by every possible means the privileges of Japanese and to strengthen Chinese control over Manchuria. The right of trade and residence was obstructed, and, at a time when civil war and political chaos had brought railway enterprise in China proper to a full stop, the Chinese carried out an extensive programme of railway construction in Manchuria. These policies were pursued with still greater vigour after 1928, with the inevitable result of producing a state of acute tension and a succession of incidents. In the Lytton Report will be found an excellent and authoritative account of the incidents which immediately preceded the attack by the Japanese army on September 18th, 1931 — the behaviour of the railway guards and consular police, the harsh treatment of Koreans, the triangular Chinese-Korean-Japanese dispute at Wanpaoshan, the anti-Chinese riots in Korea which the Japanese failed either to prevent or to suppress, the consequent anti-Japanese boycott in China, the murder of Captain Nakamura. It would, however, be a mistake to regard these incidents as in any degree the cause of the conflict: they were merely straws which showed which way the flood was setting. Far more important than these were the disputes arising out of China's railway policy in Manchuria.

The Japanese maintained that the Chinese had entered into a binding obligation not to build any railways prejudicial to the interests of the South Manchuria Railway. The Chinese contended that the only commitment involved in the relevant passage in the minutes of the 1905 conference was a 'statement of intention not to build lines with the deliberate object of unduly impairing the commercial usefulness and value of the South Manchuria Railway'. For our present purposes it matters little which of these contentions is legally correct. The important point is that the Chinese, probably believing that they were fully entitled to do so, deliberately set out to undermine the position of the South Manchuria Railway. Beginning in 1924 they built out of their own resources, and without recourse to the Consortium, five railways in Manchuria with a total length of nearly 1000 kilometres. They also built four more railways with the financial and technical assistance of the Japanese, who wished to encourage the building of feeder lines for the South Manchuria Railway.

They then built, also out of their own resources, certain connecting links which transformed what the Japanese hoped were merely feeder lines into two competing parallel lines completely encircling the South Manchuria Railway. 'During the two years preceding the outbreak of the present conflict', says the Lytton Report, 'the Chinese attempted to operate these various lines as a great Chinese railway system, and made efforts to route freight, if possible, exclusively over the Chinese operated lines; with a seaboard exit at the Chinese port of Newchuang — potentially at Hulutao. They made through traffic arrangements for all parts of their railway system and refused in important sections to make similar traffic agreements between their lines and the South Manchuria system.' In practice this meant that in 1931 the Japanese found that cargo could be, and was being, sent from Shanghai to Harbin exclusively over Chinese lines and at a cheaper rate than could be quoted by the South Manchuria Railway. The Chinese believed that they had discovered a method by which the Japanese could be squeezed out of Manchuria by economic pressure only. It was another, and a very tragic, example of their inability to distinguish the realities underlying any given political situation.

The Lytton Report very truly says that a situation had grown up in Manchuria which made a conflict certain. The continued enjoyment and enlargement by Japan of her extraordinary position in Manchuria was incompatible with the maintenance of Chinese authority. One or the other had to give way. No agreement over Manchuria was possible unless the Chinese had been willing to put their necks under the yoke. They cannot be blamed for refusing to contemplate such a solution, but what is open to severe criticism is their conduct in embarking upon a policy against Japan without making even the most rudimentary preparations to meet the violent reaction which it was certain to provoke. This is the less excusable because only two years before exactly the same error had led to deep humiliation at the hands of Russia.

## CHAPTER XIII

### MANCHURIA AND SOME MYTHS

THE Sino-Japanese dispute over Manchuria — as it is called in the official language of the League — has been the subject of more misunderstanding and misrepresentation than any other event in recent history. This is not because material for judgment is lacking. Everything happened in the full blaze of publicity, whatever was said in private has already been revealed and no secrets are hidden in the Waichiaopu or the Gaimusho or in the Chancelleries of Europe or America. It is not a case of waiting for the publication of vast collections of documents when some future historian will correct the errors in contemporary accounts due to insufficient information. All relevant documents have already been published. The reason for the obscurity in which the episode is shrouded and the myths that have clustered round it is not lack of information — but excess of emotion. When Japan seized by force of arms a territory as large as France and Germany together and the machinery for preserving peace broke down at its first serious test, poignant emotions were aroused in the breasts of vast numbers of people. They saw the world slipping back into anarchy, and future generations condemned to worse orgies of slaughter than those of the first World War. They had vaguely put their trust in the League of Nations without any very clear idea of its constitution or the implications of collective security. They attributed the failure to the folly and cowardice of the leading Powers in the League and their representatives at Geneva. The British Government and the British Representative were marked down as the chief criminals.

There may have been folly and cowardice in high places in the period between Versailles and Manchuria, and even more perhaps between Manchuria and the fall of France, but the chief characteristic of the whole twenty-year period was the wishful thinking and the deliberate clinging to illusions that distinguished the general mass of the people. It was this rather than folly in high places that determined the course of events. There can hardly have been any period in history when men so obstinately

refused to see facts which they did not wish to see, or so persistently credited obvious shams and falsehoods because they fitted conveniently into the general pattern of their beliefs. These wishful thinkers — whose name is legion — refused for example to see the most obvious fact of all, that America had refused to join a system of collective security. They persuaded themselves that America would have checked Japanese aggression if only England had backed her up. Secretary Stimson, in his book *The Far Eastern Crisis*, makes it perfectly clear that America could not go beyond moral disapproval of Japan and that sanctions of any kind were out of the question. Nevertheless, earnest and intelligent people read his book and remain convinced that he has said exactly the opposite. The Lytton Report contains in several passages a severe indictment of conditions in China and the actions of the Chinese Government. In some instances it is indeed unfairly critical of China, but because China was the victim of aggression these passages make no impression on the minds of readers of this type. They are sure that the Report exonerates China and condemns Japan. It is not surprising, therefore, that large numbers of people never realized that the collective security on which their hopes were based had never really existed.

We shall be facing before very long the same problem that we faced and failed to solve in 1918. We shall not escape a similar disaster in future unless we discover the causes of our previous failure. If the policy we pursued in 1931 was wrong it serves no useful purpose to denounce the authors and executants of that policy unless at the same time we are able to say precisely what it was they did wrong and what alternative was open to them that would have yielded better results. We cannot do this unless, firstly, we have cleared our minds of prejudice and wishful thinking, and secondly, we have formed a clear and accurate picture of the situation with which the policy in question was designed to deal. Proceeding in logical order, I propose first to try and describe the situation that confronted us in the Far East in 1931.

A brief recapitulation of Japan's progress in the modern world may be helpful. Up to 1905 Japan was popular in both England and America. Her wonderful success in meeting the challenge of the West had won universal admiration and only a handful of people realized the ambitious schemes of conquest which she was cherishing in secret. Her first war

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with China, with the object of securing the independence of Korea, appeared in the guise of a war of defence against Russia rather than a war of aggression against China. The peace terms which she imposed on China seemed to aim at opening up China to the commerce of all nations, and were thus in harmony with the policy which Great Britain had long pursued in the belief that it would benefit China as much or more than foreign Powers. Friendship with Japan was, therefore, still compatible with friendship for China and sympathy and support for China's Nationalist aspirations. The enormous increase in Japanese armaments after the Sino-Japanese war seemed to afford no greater ground for misgiving than her rapid progress in the previous forty years, for she was still faced with the menace of Russia. A dramatic change came over the scene in 1905. Both England and America had expected a stalemate, and the overwhelming victory of Japan altered the balance of power to the great disadvantage of both, and still more to the disadvantage of China. America, having acquired a heel of Achilles in the Philippines, immediately felt herself threatened by Japan and at the same time the immigration question lit a smouldering fire which threatened at any moment to burst into the flame of war. From 1905 onward American policy alternated between propitiation of Japan by abandoning opposition to her ambitions on the mainland, and attempts to curb those ambitions mainly by impressing upon the Japanese that the superior financial and economic power of America made it necessary for them to enter into some system of international collaboration in China.

The revulsion of feeling in England was not so sudden, but in 1915, within ten years of Japan's victory over Russia and the renewal of the alliance, the incident of the Twenty One Demands revealed what a Frankenstein's monster had been released in the Far East, and the Anglo-Japanese Alliance became as embarrassing to England as it was distasteful to America. Japan had now become a great naval and military power. By her signal victory in the war against Russia — a war fought at an immense cost of blood and treasure — she had gained a special position in South Manchuria. When the Great War broke out she greatly strengthened this position and endeavoured, in addition, to lay the foundations of a vast continental empire, including both China and Siberia as far as Lake Baikal. Her failure in China and Siberia and the

defeat of Germany left her weakened and isolated in a world where, for a time at least, it seemed that aggression would no longer be profitable. She came to the Washington Conference and accepted the self-denying ordinances imposed by England and America, but it was perfectly clear that, though she was prepared to retreat from Siberia and give way as regards China, she was determined that there should be no diminution of her special position in Manchuria. Manchuria by this time had become her 'life line' and England and America, after some hesitation, accepted the Japanese contention.

In the ensuing decade, from 1921 to 1931, the Japanese, for a number of reasons — economic, political, sentimental — gradually reached the conclusion that a mere 'special position' was not enough and that Japanese interests could not be adequately secured unless a much greater measure of political control were established over Manchuria. There has never been a case in history of a country so devoid of natural resources which has entertained ambitions on so vast a scale as Japan. The armaments that a modern world Power requires can only be maintained by means of a flourishing iron and steel industry. Japan was faced with the initial handicap that her supplies of metal and fuel were negligible, but during the decade between her war with China and her war with Russia she determined, in spite of this handicap, to establish a steel industry in Japan. The raw materials were imported from abroad and with the help of German experts a huge iron and steel plant, on the model of the Krupp works at Essen, was erected at Yawata. The production of steel in the Imperial Steel Works began in 1901 and great efforts were made by means of tariffs and subsidies to stimulate the growth of heavy industry under private enterprise. This was a heavy drain on government resources, but once more Japan was favoured by fortune. A furious demand for the products of heavy industry sprang up during the World War and large profits were made which more than recouped the expenditure of the pre-war years. There was a great expansion in the number of plants and in output, but when the war demand was followed by the post-war slump which spread over the whole industrial field the collapse in Japan's heavy industries was as spectacular as the previous rise. The basic difficulty was that neither iron ore nor coking coal existed in sufficient quantities in Japan. Both had to be imported from abroad with the result that pig iron

could only be produced in Japan at a cost which was three times that of America and double that of Great Britain.

The chief source of supply for iron ore was the important deposit at Ta Yeh near Hankow on the Yangtse, and considerable efforts were made to open up other sources of supply in Australia, the Netherlands East Indies and Malaya. None of these, however, could be relied on with certainty even in peace time. Exports might at any time be curtailed or prohibited for economic or political reasons, while in the case of the Yangtse, from which Japan drew two-thirds of her requirements, the supply of ore was liable to be cut off by the boycotts which so frequently disturbed the relations between China and Japan. In these circumstances Japan turned her attention to her 'life line', Manchuria. Iron ore and coking coal both existed in large quantities in Manchuria, and by the time of the Washington Conference Japan had already secured control of the chief deposits. The iron ore, however, was of such a very low grade that it would have been impracticable to transport it from Manchuria to the blast furnaces in Japan. From the purely economic point of view the right solution was to erect the furnaces and the iron and steel works in Manchuria and manufacture the steel and pig iron on the spot. The question of the location of the new plants which were to be erected to make use of the Manchurian resources had reached the stage of active consideration in 1928 and 1929, and these were the years that saw the triumph of the Kuomintang in China, the opening of Manchuria to Nationalist agitation and the Kuomintang's attack upon the Russian position which was only defeated by the prompt invasion of North Manchuria by strong Soviet forces. The next two years saw the development of the Kuomintang's ingenious attempt to undermine Japan's special position by the construction of railways competing successfully with the South Manchuria Railway. The problem as Japan saw it was that she must either abandon the idea of basing a heavy industry on the Manchurian resources — and with it give up perhaps her ambition of being a world Power — or else increase the degree of political control she already exercised to a point that would make it safe to establish the heavy industries of the Japanese Empire in Manchuria.

Other factors, partly economic, partly political, also entered into Japanese calculations. The whole economy of Japan — both industrial and



agricultural — rested to a dangerous degree on the single commodity — silk. The Japanese farmer grew practically only one crop — rice — and this was produced at so high a cost that he was only saved by the income which he drew from the subsidiary industry of cocoon raising. The only market for the silk so produced was the United States, which took 94 per cent of Japan's silk exports. These were all in the form of raw silk as a prohibitive tariff in America had prevented the development of silk manufacture in Japan. The raw silk sold in America paid for the American raw cotton imported into Japan, and there manufactured into cotton goods exported mainly to China. Three-quarters of Japan's total exports consisted of two articles — raw silk and cotton piece goods, and two-thirds of her total exports were exported to two countries — the United States and China. Her export of raw silk might at any moment be shut out by some change in the American tariff and her export of cotton goods might similarly be shut out of China by a tariff (after the grant of tariff autonomy) or by a boycott. What actually happened was a collapse in the market for raw silk, which, coming on top of the economic troubles of the post-war years, threatened to cause a social collapse in Japan.

Japan had prospered greatly during the Great War. Her goods invaded many markets because no other goods were available and at the end of the war she had accumulated a stock of gold and foreign balances amounting to some 2000 million gold yen. When the war was over Europe and America began recapturing their lost markets, exports were still further checked by the great Tokyo earthquake of 1923, and the imports of materials for reconstruction swallowed up most of the foreign balances. There were renewed slumps in 1924, 1925 and 1927 — the crisis in the latter year being the severest that Japan had ever known. In 1929 Japan removed the embargo on gold and endeavoured to restore economic health by the orthodox method of deflation; but this time she was not favoured by fortune. The great slump in America supervened, deflation became an intolerable burden and the price of raw silk fell from 1430 yen per picul in April 1929 to 573 yen in September 1931.

Economic distress caused a great increase of communism in Japanese schools and colleges. Since the return of the disgruntled Japanese soldiers from Siberia, Japanese fear of communism had been greatly intensified and any symptoms of 'dangerous thoughts' caused great alarm. There was



growing up an 'intellectual proletariat' — young men who had been well educated but for whom no employment could be found and who were consequently turning towards communism as a possible remedy for the evils of the times. Distress was severe in rural districts and unemployment was also spreading among the urban working classes. In Tokyo, for example, half a million persons were receiving relief in the summer of 1930. In the case of a militaristic people like the Japanese circumstances such as these naturally incline their rulers to a policy of foreign adventure. Manchuria has never become an outlet for Japan's surplus population but it is a significant fact that, after it had become a Japanese dependency under the name of Manchukuo, all these young men found employment and intellectual communism ceased to be a source of anxiety.

Manchukuo was of importance to Japan in other ways besides those mentioned above. The soya bean grown in Manchuria provided the major protein factor in the food of the Japanese people, and the fertilizer, produced as by-product of the bean, was extensively used in Japanese agriculture. The many industries developed under the control of the South Manchuria Railway were also an important outlet for Japanese capital and enterprise. These considerations, however, were subsidiary to the main issue. The cause of the forcible seizure of Manchuria was Japan's fear lest the success of the Kuomintang's campaign of obstruction and propaganda should so weaken their hold as to make it impossible to establish a heavy industry in Manchuria. Next in order of importance was their suspicion at the part played by the Soviet advisers in organizing the success of the Kuomintang and their fear that under Kuomintang auspices communism would infiltrate into Manchuria, cross over into Japan and link up with the communism of the intellectual proletariat. Third in order of importance was the urge to take some violent action in view of the economic crisis and the collapse of the silk market.

The most useful purpose to be served in any discussion of the Manchurian conflict is to discover, if possible, the causes of the failure in 1931-32 to check aggression and find a satisfactory solution of the problem. In the preceding paragraphs an attempt has been made to view the problem as it presented itself to Japanese eyes, to appreciate the difficulties that confronted them, the ambitions which they entertained and the reasons which decided them to resort to violence to attain their ends. It is perhaps hardly

necessary to say that these paragraphs must not be interpreted as condoning in the slightest degree the flagrant breach of all the solemn obligations which Japan had undertaken in the Covenant of the League, the Pact of Paris and particularly in the Nine Power Treaty, or as rejecting the view that the real interests of Japan would have been best served by the general prosperity which would have followed the establishment of a stable order in the Pacific through the collaboration of the principal Powers concerned. These are considerations of immense importance but their only relevance to the point at issue is that the Japanese were able to persuade themselves that they were fully justified in disregarding them. This, of course, presented little difficulty to men who believed in the doctrines of the Black Dragon Memorandum.

By 1931 Japan had not yet reached the stage of wishing to leave the League of Nations: she was still extremely anxious to remain a member of the Western system of society, but it had lost its original glamour. The orgie of economic nationalism that broke out after the war, the treatment of debts and reparations, and above all the insult levied at her by Congress in the American Exclusion Act of 1924 gave her some cause for thinking that the Japanese point of view would never receive fair consideration in Europe and America, and that the Western nations had paid lip service to ideals which they were ready to discard when they conflicted with their material interests. For a quarter of a century Japan had followed without swerving a definite line in Manchuria which, failing another war such as that which brought Russia's ambitions in that region to a close, could only end in complete political control. She regarded Manchuria as her 'life line'; it had the same degree of importance for her as the Caribbean had for America or the approaches to India for England. She would brook no outside interference with what she regarded as a vital interest, and in all the treaties which she signed with Western Powers she made the mental reservation that Manchuria was a matter for China and Japan to deal with alone. At the Washington Conference, in the case of the Shantung question, Japan had already clearly indicated that the relations between herself and China were not a matter with which other Powers were concerned.

It was most unlikely, therefore, that the moral disapproval of the rest of the world would have the effect of inclining Japan to abandon or even

moderate her action in Manchuria with a view to seeking a solution of her difficulties by legal and more peaceful means. In fact, as we shall see, the mere fact that her actions were discussed at Geneva at all and that she thus seemed to be brought to the bar of world opinion excited Japanese Nationalist feelings, and it was this that put control of policy into the hands of the extremists. The mobilization of world opinion — which shortly took the form of the non-recognition doctrine — was the method proposed by the United States in the autumn of 1931 for handling the dispute. Mr. Stimson was sure that the adoption of this doctrine by the nations of the world would prove an effective check to Japanese aggression. 'When the entire group of civilized nations', he said in August 1932, 'took their stand beside the position of the American Government, the situation was revealed in its true sense. Moral disapproval, when it becomes the disapproval of the whole world, takes on a significance hitherto unknown in international law. For never before has international opinion been so organized and mobilized.' Few persons in England shared Mr. Stimson's optimism, but in the state the world was in in 1931 no one had any practicable alternative to propose.

The economic difficulties which assailed Japan in the post-war decade were a trifle compared with those which afflicted most of the rest of the world in the same period and which reached their climax in 1931. A bare recital of the calamities which occurred in 1931, which Mr. Toynbee has aptly described as *annus terribilis*, would lend colour to the Chinese belief that there is a correspondence between the universal order and the social order and that a disturbance in one is reflected by a corresponding disturbance in the other. There were earthquakes which wrecked cities and destroyed many lives in New Zealand, Nicaragua and the Balkans, there were insurrections, revolts and mutinies in Chili, Spain, Portugal, Ecuador, Cuba, Peru and Salvador, strikes, disorder and martial law in Barcelona, Madrid and Seville, massacres of Chinese in Korea, a great hurricane in Honduras and floods in the Yangtse valley that claimed no less than 80,000 victims. Political convulsions were the symptoms of deep-seated economic disorders which threatened to destroy the system of credit and exchange and with it the vehicle for intercourse between nations in the modern world. 'In 1931', says Mr. Toynbee, 'men and women all over the world were seriously contemplating and frankly

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discussing the possibility that the Western system of society might break down and cease to work.'

The signal for the breaking of the storm was the failure on May 11th of the Credit Anstalt, a great Austrian bank which had become an integral part of the financial structure of the world. This was followed by the failure of the Banque de Geneve on July 12th, of the Darmstädter und Nationalbank, one of the three great joint stock banks in Germany, on July 13th, and the Mercur Bank in Vienna on July 14th. Heavy withdrawals by French banks of gold from London, which began in the middle of July, showed that the storm centre had passed to England. At the end of July the Government published the Report of the Economy Committee (the May Committee). As this report forecast a budget deficit of £120,000,000 and was not accompanied by any statement of plans to deal with the situation it accelerated England's glide towards the precipice. On August 24th the Labour Government fell and a national government under Mr. Ramsay MacDonald took office next day, but some three weeks later an incident in the fleet at Invergordon dealt the final blow which drove England off the gold standard and caused the fall of the pound sterling. Memories are short and few people now remember what a shattering blow this was and how it shook the whole financial and economic fabric of the contemporary world. Few people remember, even if they ever realized, the effect produced in every foreign country by the news that the sailors in the fleet at Invergordon had refused to take the ships to sea and that the manœuvres had been abandoned. Throughout the world it was believed that mutiny had occurred comparable to the mutiny in the Russian fleet in 1917 and the German fleet in 1918, and that the downfall of England was at hand. Invergordon was the signal for which the Japanese army in Manchuria had been waiting. It was an opportunity similar to that which they had eagerly grasped in 1914. The whole world was occupied with troubles of its own and they could safely proceed without fear of interruption with their carefully prepared plan for the seizure of Manchuria.

The view is still widely held that the Manchuria conflict was the beginning of the breakdown of the system of collective security and that Great Britain was largely responsible for this catastrophe. The implication is that there was some action which Great Britain could have taken, or

could have induced other Powers to join in taking, which would have checked aggression and brought about a just settlement by agreement. The charge is usually wrapped up in the vague phraseology that indicates a disinclination to think things out in terms of concrete realities. England did not pursue a League policy, she betrayed League principles, she preferred her own interests to those of the League, she cared for nothing but the open door, etc. etc. The nearest approach that critics of this aspect of British policy make to being precise is the statement that America was willing to take strong action to check Japan and that England failed to back her up. This statement, however, is utterly untrue.

It will be best to leave these vague generalities and inquire by what kind of action could Japan have been stopped in 1931-32? The best method of settling a dispute is, of course, to get the parties to meet round a table, thrash out their differences and arrive at an agreement. The machinery of the League was invaluable for this purpose; it provided for the first time in history a means of rescuing international life from anarchy and by its use the League achieved many signal triumphs — triumphs which have attracted less attention than they deserve because there is little news value in disputes which do not develop into open conflicts. No such triumph was possible in 1931-32 because the Japanese refused to allow their differences with China to be discussed by third parties, and Japanese public opinion resented as an insult to their national honour what seemed to them to be an attempt to arraign their actions before an international tribunal. It was a wholly unreasonable attitude, but mass movements of opinion are not usually remarkable for reasonableness.

There remained only sanctions — economic or military. In 1931 the world was suffering from an economic depression of unparalleled intensity, and there was not the remotest prospect that support could have been found in any country for action calculated still further to reduce the volume of world trade, deepen the confusion and increase the numbers of those suffering from want and destitution. 'To a great many of our people', says Mr. Stimson, in *The Far Eastern Crisis*, 'Manchuria was an unknown part of the earth and they wondered what we had to do with any controversy there at all.' The vast majority of people everywhere would have utterly rejected the idea that it was their duty to take great risks and embark on a heroic policy of intervention in an obscure and

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complicated dispute in a remote region where Country A was entitled to maintain troops and own, operate and guard railways in territory belonging to Country B, particularly as Country B, after allowing this situation to develop, was apparently not prepared to make any very strenuous exertions to defend the territory herself.

An argument that is still put forward is that the British Empire and the United States together were so powerful that the mere threat of joint economic pressure would have sufficed to deter Japan. The British Empire is not a single economic unit. Before His Majesty's Government in the United Kingdom could have embarked on a policy of putting British Empire pressure on Japan they would have had to get the concurrence of the governments in Australia, Canada, New Zealand, South Africa and India, each of which has complete control over its own economic policy. It would have been futile even to suggest such a policy to those governments unless a strong lead in the direction of sanctions had been given by America. She was the one country whose trade was really important to Japan and no other country was willing to consider sanctions without knowing exactly what part America would play. If America had given a strong lead in favour of economic sanctions the British Government — whatever misgivings they might have felt — would certainly have followed it. But the same considerations that made other countries hostile to sanctions operated with equal force in the United States. Thus the lead which America gave was not in favour of sanctions but in the opposite direction.

The economic depression was as severe in America as in Europe and psychologically its effects were worse, for Americans were bewildered by the sudden crash from prosperity which was thought to be permanent into distress such as they had never imagined to be possible in their country. The situation had steadily deteriorated since the break on the Stock Market of October 1929. In 1931 the banking system seemed to be collapsing and there were no less than 2298 bank failures during the year; there were six million unemployed, and farmers all over the country were being ruined by the heavy falls in wheat and cotton. Even apart from America's traditional isolationism no administration could propose a policy of sanctions which would involve, for example, the destruction of the trading system by which Japanese raw silk was purchased with the

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proceeds of Japanese purchases of American raw cotton. Moreover, in spite of the bitter lesson that the whole world was economically one, the isolationist spirit in Congress remained as virulent and as aggressive as before. Mr. Stimson, in *The Far Eastern Crisis*, describes how the question of the foreign debt 'hung like a cloud poisoning our relations with all the great European powers', and how Congress effectually blocked any attempt to deal with the problem by their joint resolution of December 1931 that it was 'against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner cancelled or reduced'. More significant still was the demonstration of their eagerness to be quit of all Far Eastern responsibilities which Congress gave in April 1932, when they passed by an enormous majority, against the President's recommendation, the Bill providing for the speedy and complete evacuation of the Philippines.

Any discussion of economic sanctions in connection with the Manchurian conflict is in one sense otiose because economic sanctions would have meant immediate war. Now war was the one eventuality which the protagonists of 'collective security' never faced. The theory was that overwhelming force would be assembled against an aggressor and he would desist from aggression. The theory worked well enough to prevent two little Balkan countries flying at each other's throats but, as the great attraction of collective security was that it made armaments unnecessary, the possibility was never really faced that a great military power might one day become an aggressor, in which case more, and not less, armaments would be required to carry out the obligations of the Covenant. The authors of the Covenant were thinking exclusively in terms of European problems, and they thought that, Germany having been rendered harmless, this dilemma would not arise. But even while the Covenant of the League was taking shape it was well known that outside Europe, in the Far East, there was a powerful state which showed every symptom of being a restless and dangerous aggressor.

After Europe had been disposed of at Versailles, statesmen turned their attention to Japan. The Washington Conference was the one outstanding achievement of the post-war period. It established stable political conditions in the Pacific region, removed possible causes of conflict and achieved a large measure of disarmament. The Conference seemed to



have carried into practical execution the ideals of the League of Nations and its achievements were hailed as a triumph of enlightened statesmanship. No one, however, seems ever to have observed that in fact the arrangements made at the Conference for keeping the peace in the Pacific were in flat contradiction to the principles of the Covenant. There was only one possible aggressor in the Pacific, namely, Japan, and the nations chiefly concerned deliberately put it out of their power to assemble overwhelming force against her. The contrast with Europe was striking. Germany was rendered helpless, Japan was placed in an impregnable position. The Powers preferred to put Japan on her honour, but if Japan chose to break her pledged word and commit aggression after all a situation would arise for which no provision had been made. In other words, collective security did not exist, and never had existed, in the Far East. Whether collective security ever really existed in Europe is not a question that can be examined here. The point with which we are concerned is that the collective security provisions of the Covenant had no application to the Far East because, of the four Great Powers chiefly concerned — Russia, America, Great Britain and Japan — Russia and America were not members of the League. The Washington Conference accordingly deliberately substituted for collective security a different system altogether.

When Japan broke her word and resorted to force the situation which confronted the Pacific Powers in 1931-32 was described by Mr. Stimson in the following terms: 'During that winter responsible foreign observers stationed in the Far East were informing their respective governments that in their opinion there was a real possibility of a Japanese attack being suddenly launched at the possessions of European and American Governments in the neighbourhood.' If that had happened the strategic position was such that the Members of the League and the Parties to the Nine Power Treaty would not only have been unable to assemble overwhelming force against China's aggressor, they would have been powerless to defend their own possessions. 'The strategic position was such', says Mr. Toynbee, 'that the Japanese Empire with its insular and continental dependencies, including the newly-occupied territory in Manchuria, was virtually immune from any serious attack on the part of any foreign Power, whereas a number of important foreign holdings in the Far East were potential hostages in the hands of Japan. In the event of hostilities



the Japanese had it in their power to strike at Russia by attacking the Maritime Province, and at the United States by attacking the Philippines, and at France by attacking Indo-China, and at the British Empire by attacking Hongkong and Malaya, and at all the world by attacking the two foreign settlements at Shanghai . . . This strategic consequence of the Washington Treaties had, of course, been foreseen, and deliberately incurred.'

The Japanese, in short, were completely masters of the situation. China offered no resistance. Russia, intent upon her five year plan, hardly ventured even to protest. England and America were powerless, and Japan took possession of Manchuria, while fifty-five nations assembled at Geneva went through the motions of recording their opinion of her actions. It has never been seriously suggested that there was any specific action Great Britain could have taken which would have averted this disastrous result, and it merely darkens counsel to attribute the breakdown of the League to the mistaken policy adopted by any particular Power. The consequences of a course of action pursued over several decades cannot be undone by the efforts of a few months. Thirty years before, England, with America's blessing, had launched Japan upon the road that led inevitably to the hegemony of the Far East. England withdrew her battlefleet and yielded up to her the command of the sea, while America sought to gain her friendship by encouraging her ambitions in Korea and Manchuria. In the years that followed 1918 people everywhere were weary of war and of the heavy responsibilities which they had been forced to bear. Doctrines were preached at Versailles and again at Washington which were eagerly accepted, especially in England and America. People wished to enjoy peace without earning it and they were very ready to believe that security could be obtained by wishful thinking and war averted by public opinion. 'By far the strongest weapon we have', said Lord Cecil in 1920, 'is the weapon of public opinion.' And again, 'What we rely upon is public opinion . . . and if we are wrong about it, then the whole thing is wrong.' In 1931 Mr. Stimson recalled with satisfaction how, in the treaties to which the United States had become a party — the Pact of Paris and the Nine Power Treaty — 'the American Government had confined itself to a reliance upon the sanctions of public opinion alone'. We have already seen how, even after Japan had seized the whole of Manchuria, he continued to believe in the efficacy of public

opinion. Thus when the first great crisis of the League came upon them in 1931 the people, by their wishful thinking, had deprived themselves of the means of dealing with it. They continued, nevertheless, to hug their illusions. The Disarmament Conference and the League discussions of the Manchurian conflict were carried on simultaneously and side by side throughout 1932 and part of 1933. In 1935 twelve million people in England took part in that strange orgie of illusion the Peace Ballot and it was only when the avalanche was about to crash on them that they woke from their disastrous dream. It was the canker of illusion lying at the very root of the League of Nations, and not the errors of this or that person or this or that Government, that was the cause of the failure in 1931-32. As a certain Swiss jurist remarked in my hearing at Geneva, the League in 1932 was like a man who suddenly discovers that he has had a stone in his kidney for the last dozen years and is about to die of it. 'It is a meaningless evasion', as Professor Carr says, 'to pretend that what we have witnessed is not the failure of the League, but only the failure of those who have refused to make it work.'

Any social system, said a writer in the *Economist*, can be made to look vicious or absurd by a selection of particulars, for in every society there are people who do absurd and vicious things. Much the same is true of a country's foreign policy. Many people hold and freely express absurdly misguided opinions, especially about situations so remote from everyday experience as those which commonly arise in the Far East, and it constantly happens that wrong conclusions are drawn about the Government's Far Eastern policy because such views have been expressed by persons holding important and responsible positions. It is often forgotten that the only certain guide to a government's policy is its actions and not opinions by which it may or may not have been influenced. Misguided views in responsible quarters, or the existence of important vested interests are factors which a government has to take into consideration. They may render the execution of policy more difficult, interfere with details or affect timing or method. But as regards the Far East such influences have never altered the fundamental character of British policy. The main lines of British policy in the Far East have been immutably fixed by one governing consideration — the essential identity of interest between China and Great Britain. No one charged with the actual carry-

ing out of policy can escape the consequences of the fundamental fact that when China suffers British interests suffer, and when China prospers British interests also prosper. There is indeed no other road to prosperity. If, as some misguided persons urge, British interests relied on Japan regardless of China, not only would they not prosper, they would cease to exist.

One section of what may for convenience be called pro-Japanese opinion in England admired Japan's wonderful achievement in transforming herself into a first-class Power, sympathized with her desire to expand her empire and shut its eyes to the shady methods adopted to prepare the way for aggression. Another section consisted of business men who were nervous about changes which Chinese nationalism was trying to effect in the conditions under which they lived and traded — changes which might involve them in financial loss — and who thought that such changes might be indefinitely postponed by Japanese power. They made the not uncommon mistake of confusing a tiny sectional interest with the interest of the nation. Another section — intelligent but simple-minded — was pro-Japanese because they could see nothing in the Far East but China — a country in considerable disorder demanding of us the surrender of our treaty rights, and Japan, the most powerful naval and military state in the Pacific. In all these groups there were some who held that England's proper policy was to enter into partnership with Japan. They argued that a hostile Japan could inflict great damage on us, while if Japan were friendly we could avoid giving ground on the unequal treaties and continue to enjoy our former share of trade and industry. It was essentially the same humiliating idea that had inspired Joseph Chamberlain's persistent and calamitous incursions into foreign policy at the end of the nineteenth century. It received support in some influential quarters, notably in the editorial columns of *The Times*, but fortunately it was never sponsored by any statesman of the calibre and driving force of Chamberlain.

Those who realized what Japanese ambitions were and what Japanese hegemony involved knew that, in the words of Lord Lothian, reliance on Japan was a 'feeble and delusive policy' which would break in the hands of any man foolish enough to try it. In fact the Government never departed from the solid ground of the fundamental identity of interests between China and Great Britain. During the Manchurian conflict the

basis of British policy remained what it always had been and still is — support for China and constructive sympathy for Chinese Nationalist aspirations. As regards Japan the only possible course was to endeavour to maintain normal friendly relations so far as this was compatible with the fundamental opposition between the policies of the two countries. It is significant, however, that from 1931 onward Japan has regarded England as Public Enemy No. 1 and the whole of her resentment at the encouragement and support which China has received from foreign Powers has been concentrated on us.

The chief characteristic of League-minded persons was their inability to distinguish between phrases and the stark realities of Japanese aggression. On October 24th, 1931, the Council of the League passed a Resolution by 13 votes to 1 which was interpreted as an order to Japan to withdraw her troops to the railway zone before the next meeting of the Council. As there was no intention of following up this order by positive action of any kind the folly of thus inflaming public opinion in Japan and at the same time encouraging false hopes in China should have been apparent to everyone. I well remember, however, the rejoicings in Geneva that night: the League had at last acted with boldness and vigour: it had asserted its authority: it had ordered a first-class Power to 'get off the mat', as one enthusiastic League official expressed it. I returned next day to London in deep dejection. In Pall Mall I met the editor of a well-known weekly paper — one of the most brilliant journalists of the day. 'That was a magnificent piece of work at Geneva,' he said. My jaw dropped and I stammered an inquiry: 'Why!' he said: 'It's done the trick. All you have to do now is to withdraw Ambassadors and the whole thing is finished.' I gasped and turned into my club without a word. One must constantly bear in mind that it is often well informed, able and hard-headed men who hug illusions of this kind. It was men like these who, when Japan, instead of 'getting off the mat', proceeded to enlarge the scope of her aggression, angrily insisted that England had failed to adopt some bold policy that would have stopped her. They fastened on certain blunders that were made in carrying out British policy, magnified molehills into mountains and managed to persuade themselves, and create in the minds of others, the absurd impression that these blunders were the cause of the League's failure.

No useful purpose would be served by raking over the ashes of past con-

troversies, especially as they consist for the most part of rather tiresome trivialities. There are two episodes, however, which I have already dealt with in letters to the Press and to which more extended reference may usefully be made here.

The one serious error which the Foreign Office made in 1931-32 was its failure to gain the confidence and goodwill of Mr. Stimson. However little substance there may be in the complaints he makes against us in his book, *The Far Eastern Crisis*, the fact remains that it was one of the main objects of our policy to keep in step and maintain close and friendly relations with America, and somehow we failed. The trouble mainly arose over two incidents — the non-recognition note of January 1932, and the proposed invocation of the Nine Power Treaty in the following February. The facts are briefly as follows:

On January 5th, 1932, Mr. Stimson told the British Ambassador that he proposed to send identical notes to China and Japan on the lines of the non-recognition notes sent in 1915 in connection with the Twenty One Demands, and he hoped that we would follow suit. The notes were actually dispatched next day without further discussion and were published in the Press on January 7th. Rightly or wrongly we attached little importance to this *démarche*. Non-recognition was a peculiarly American technique, the fruit of American isolationism, and it was wholly out of harmony with the British tradition in international affairs. On the previous occasion in 1915 the non-recognition notes had had no effect at all, and the repetition of the gesture in 1932 seemed to be in the nature of a formality. In any case, if a gesture of this kind were to be made it would come better as a gesture by the League as a whole rather than that England should separate from the League, run ahead of the other members and make gestures of her own. This consideration did not, of course, apply with equal force to America who was not a member of the League. A reply was accordingly telegraphed to Mr. Stimson explaining that as a member of the League we could not join in sending such a note. The text of this reply, to which no exception could be taken, is not given in Mr. Stimson's book. I still think that this attitude was perfectly correct, proper and friendly. On the other hand no particular harm would have been done if, in order to please America, we had thrown technicalities to the winds and joined in sending the note. If we could have foreseen the

blunder that was about to be committed there is no doubt that that is what we would have done. Unfortunately, two days after the reply had been sent to America, a *communiqué* was issued to the Press in circumstances which are explained in my letter to *The Times* of November 30th, 1938 (Appendix page 274). This read like a rebuff to Mr. Stimson and was certainly so interpreted by the Japanese.

*The Times* has always shown uncanny skill in publishing its more unfortunate leading articles at the moment when they would be calculated to do the maximum amount of damage. The ill effect of the *communiqué* was heightened by such a leader published two days later. It is natural that suspicions should be aroused by a leader of this kind for many important people held the same views as those expressed in the leader and it is generally assumed that the writer of leaders in *The Times* has had access to those in authority. The leader did not, however, reflect the views of the Government or affect its policy. The *communiqué* was, of course, a bad blunder for which there is no real excuse, and I can only record what was done to try and remedy it. The blunder naturally drew attention to the non-recognition note which now became enormously important. We therefore exerted ourselves to secure the adoption of the non-recognition doctrine by the League as a whole. On January 29th the Council, minus the Parties, made a public declaration in the same sense as Mr. Stimson's note; on February 16th the same twelve Members of the Council addressed a note, also in the same sense, to Japan alone; on March 7th Sir John Simon in a speech before the Assembly suggested that the League should formally adopt the non-recognition doctrine and offered to draft the necessary resolution; on March 11th the resolution was duly proposed and adopted.

Mr. Stimson has explained very frankly in *The Far Eastern Crisis* the genesis of the non-recognition note. By the end of 1931 he had become convinced that hope of moderation on the part of Japan had vanished and that conciliation had failed. Sanctions were out of the question, but, as an ultimate possible weapon to be used, Mr. Stimson thought that he had discovered a substitute for sanctions, upon which all nations could agree. We cease to be surprised at the ease with which Japan accomplished her conquest of Manchuria when we learn that the 'ultimate possible weapon' was to wind up discussion with a snap by serving on Japan a

final notice of American rights. A Commission of Enquiry (the Lytton Commission) had just been appointed to proceed to Manchuria to inquire into the causes of the dispute and the efforts of both Council and Assembly to effect a settlement by conciliation were continued for over a year longer and did not finally break down until February 1933. How in these circumstances Mr. Stimson could have expected a League Power to 'wind up discussion with a snap' is a little mysterious. Much trouble and heartburning would have been avoided if just a few days had been devoted to discussing and agreeing on a *modus operandi*.

The second episode related to the proposed invocation of the Nine Power Treaty. The facts are fully set out in my letter to *The Times* of November 10th, 1938 (Appendix page 271). The uncertainties of the transatlantic telephone cannot be blamed for the misunderstanding (if there was one) which occurred on this occasion, for the answer to Mr. Stimson's proposal was given in writing. At the end of the criticisms and suggestions for which Mr. Stimson had asked, the Foreign Secretary added: 'Sir John Simon has already told Mr. Stimson how keenly the British Government wishes to keep in close co-operation with America over the whole field of the Far Eastern crisis, and he is hopeful that the adherence of the Powers now at Geneva to the declaration proposed to be made by the Council of the League on Wednesday might predispose those of them who are signatories of the Nine Power Treaty to associate themselves with the American *démarche* also.' This declaration was the non-recognition note of February 16th, referred to above, addressed to Japan by twelve Members of the Council. The draft invocation was under active consideration and discussion and if Mr. Stimson had cared to pursue the matter for a few days longer there seems no reason why a satisfactory conclusion should not have been reached; but here again there seemed to be symptoms of a certain impatience in American diplomacy. Mr. Stimson preferred to turn the document into a letter from himself to Senator Borah, in which form it was probably even more effective than if it had taken the form of a joint invocation. But documents, however formidable, had no effect on Japanese actions. The whole incident was trivial and it has only assumed a fictitious importance because League-minded enthusiasts have a vague idea that this was another of the British Government's blunders which caused the failure of the League.



## MANCHURIA AND SOME MYTHS

Many blunders were made in the handling of the Manchurian conflict, but none of them affected to an important degree the actual course of events. The League Resolution of October 24th ordering Japan to evacuate, and other similar actions, excited popular passions in Japan. In view of the proofs that were soon forthcoming of the general impotence of Europe and America this was a bad blunder, but it probably did no more than accelerate the tempo of Japanese aggression. If Japan could not be stopped she was bound to go forward. The apparent rebuff to Mr. Stimson in January 1932 is thought to have driven America back into isolationism. It is much more probable that, in view of the alarming developments which followed the rise of Hitler, America would in any case have retreated into isolationism. Actually the only effect of the 'rebuff' was to give isolationist propaganda the opportunity to invent the myth that England had turned down an American offer to check Japan — a myth which acted as a salve for the consciences of those Americans who felt uneasy at America's relinquishment of responsibility for the course of events in the Far East.

All these blunders are of trifling importance compared with the great central fact of the collapse of the League. Collective security, if it is a reality, involves the conscious and deliberate acceptance by the people of responsibilities, in every quarter of the globe, involving risks and sacrifices. If it had been presented to the people of this country in that shape it might have been accepted as an ideal inspiring enthusiasm and devotion comparable to that inspired by Communism in Russia, Fascism in Italy, Nazism in Germany and the dream of manifest destiny in Japan. A soft option does not call out the finer qualities of a people. Few of us are free from blame, but what happened was that the people of this country were deluded into believing that the responsibilities of collective security would be discharged by brave words and by the passing of resolutions. They could enjoy peace without earning it and by some magic formula the world become a safe and comfortable place for them and their children to live in. Collective security was so far from ever becoming a reality that the nations assembled at the Washington Conference could deliberately make it impossible to check any future aggression in the Far East without anybody perceiving that they had in fact renounced collective security so far as that region was concerned.



## CHAPTER XIV

### TWO MISSIONS AND A CONFERENCE

ONLY four and a half years elapsed between the dramatic scene at Geneva when Matsuoka led the Japanese Delegation out of the Conference chamber on February 24th, 1933, and the clash at the Marco Polo Bridge on July 7th, 1937, which marked the resumption of armed aggression directed this time on a grand scale against China proper. It is important to have in one's mind a picture of the general background against which the march of events in the Far East took place. In Europe the situation was deteriorating with frightful speed. The failure to settle the Manchuria conflict was followed in a few months by the failure of the Disarmament Conference and the fiasco of the World Economic Conference. In the autumn of the same year, 1933, Germany followed Japan out of the League and 95 per cent of the German electors voted for the Nazi Party. In 1934, after the orgie of murder on June 30th, Hitler became Chancellor and President. In March 1935 Hitler introduced conscription and a year later he reoccupied the Rhineland. Meanwhile Italy, following Japan's example in Manchuria, had staged an incident at Walwal in Abyssinia, and 1935 saw the Peace Ballot, the Hoare-Laval plan and the fiasco of sanctions against Italy. In 1936 the Spanish civil war broke out and Germany and Japan signed the Anti-Comintern Pact. In 1937 the British Government at long last embarked on a programme of re-armament, but the sums earmarked for this purpose were insignificant compared with the gigantic efforts which Germany had been making for some years past. In May 1927 Neville Chamberlain became Prime Minister. In September 1938 he signed the Munich agreement and in September 1939 the World War broke out.

In 1937, therefore, when the clash occurred at the Marco Polo Bridge and China once more took the centre of the stage, England already had her back to the wall. Up to that moment, however, beyond driving America still deeper into isolation, the deepening crisis in Europe had had little direct effect on the Far Eastern policy of either England or America.

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Both still desired that the independence and integrity of China should be maintained and that she should be saved from the consequences of Japanese aggression, but whereas England's interests were indissolubly bound up with those of China the bond that united America with China was of a much looser and slighter character. America's chief commercial interest was her valuable trade with Japan; the well-being of China was a matter of hardly more than sentimental interest, and the chief object of her policy was to avoid being drawn into war. In this connection the Achilles' heel in the Philippines was her chief anxiety. Her problem was thus incomparably simpler than England's. America's interests could be safeguarded by retaining the goodwill of Japan, irrespective of what happened in China, and Japan was anxious to retain the goodwill of America because American trade was of vital importance to her. If China succumbed in her struggle against Japan American interests would suffer little damage but England would be driven off the map of the Far East and that might well spell the beginning of the end of the British Empire.

The Japanese as a nation are very prone to the vice of wishful thinking, but the one point on which they have never entertained any illusions is the attitude of England. They believed that they could find puppets under whose guidance China would play the role marked out for her in the Black Dragon Memorandum, that of the humble subordinate gratefully accepting the leadership of Japan. They believed that America would never come out of her isolation to play the Sir Galahad on behalf of China in distress, and right up to July 1941, when embargoes were at length imposed, they believed that they could keep England and America apart and persuade America that her interests would not suffer if she acquiesced in a Japanese hegemony over East Asia; but they never deluded themselves into thinking that they could buy off England's opposition. Japan knew that England's position — indissolubly linked with the independence and prosperity of China — was the major obstacle to the realization of her ambitions, and England, therefore, as already stated, was elevated to the position of Public Enemy No. 1. These points are illustrated in the history of two British Missions to the Far East — the F.B.I. Mission in 1934 and the Leith Ross Mission in 1935.

The F.B.I. Mission is a somewhat humiliating episode in our Far Eastern record but its importance should not be exaggerated. In the days

when the kowtow caused so much agitation in China's international relations the British refused to compromise the dignity of their country, and they were highly critical of the Dutch who thought to gain commercial advantages by yielding to Chinese pretensions on what they considered was, after all, a mere matter of form and ceremony. In 1655 Dutch Ambassadors to the Court at Peking 'comported themselves as representatives of an Asiatic princeling bearing tribute and homage to their Asiatic suzerain'. They prostrated themselves before the Emperor, before his sacred name, his letters and his throne; but all they gained was permission to send an embassy accompanied by four trading ships once every eight years. In 1664 another embassy followed the same tactics with equal ill success. In 1795 Titsingh and van Braam, thinking to avoid the errors of Lord Macartney, improved upon the methods even of the former Dutch embassies, but the more they humbled themselves the greater the perverse delight the Chinese took in heaping humiliation upon them. They achieved nothing and were 'sent back to Canton like mountebanks to perform the three-times-three prostration at all times and before everything their conductors saw fit'. The excuse, however, is made for them that they did not represent either their sovereign or the Government of their country, but only the East India Company — a private corporation entitled to adopt what means they chose to increase their trade.

The mission under Lord Barnby which went to investigate the possibilities for British trade in Manchuria in 1934 represented neither the sovereign nor the Government of Great Britain, but only the Federation of British Industries. It will be readily understood that certain government departments, concerned, not with foreign affairs, but with stimulating British exports to markets overseas, might regard the mission as a laudable effort to expand British trade. There is, moreover, little doubt that the proposal to send the mission reflected the views of persons in important positions who disagreed with the Government's Far Eastern policy. They deplored the abrogation of the Anglo-Japanese Alliance and British opposition to the expansion of the Japanese Empire. They hoped to demonstrate that the opportunities for trade which would result from entering into partnership with Japan would compensate for any injury that might be suffered at the hands of China. It is a remarkable example

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of the kind of calculation on which a sectional interest is apt to consider that national policy should be based. In this year of grace 1942 the F.B.I. envisage, as a remedy for the ills which have plunged us into the present war,

a system of barter or at any rate a system of bi-lateral trade . . . import and export controls, possibly by quotas, preferential treatment of the imports of those countries which are prepared to assure us of the means of paying for them, and exchange controls.

This is very like the argument of the supporters of the Barnby Mission. Some people will make money out of a system of barter, therefore the Government should adopt it; some people will grow fat on the crumbs that fall from the Japanese table, therefore the Government should throw over China and go into partnership with Japan.

As a matter of fact, the Japanese never bothered to throw them any crumbs at all. The mission made the elementary discovery that though the Japanese attach inordinate importance to sentiment they have an unrivalled capacity for keeping sentiment and business in watertight compartments. The mission received a written assurance 'that the principle of British collaboration in the development of Manchukuo was definitely accepted'. They also received a promise that members of the Federation would receive orders for the supply of steel products to Manchukuo during 1935, but — the orders never materialized!

In the autumn of 1934, while the F.B.I. mission was making its progress through Manchukuo and Japan, the British Government were anxiously considering the problems raised by what looked like the impending economic collapse of China. The fact that China's currency was silver enabled her to escape the ill effects of the crisis from which gold currency countries suffered so severely, but when England and America both abandoned the gold standard her currency began to appreciate in terms of gold and she in turn began to suffer from the evils of deflation. Her domestic economy was suffering from the legacy of many years of political confusion. Military expenditure and the service of loans absorbed 80 per cent of the revenue, while large and recurrent budget deficits were met by fresh borrowing at about 10 per cent. Little progress had been made with the gigantic but vitally important task of reorganiz-

ing the land tenure system, while her means of inland transport were so inadequate that cereals were imported from abroad, though in many parts of the country farmers were unable to sell their grain. The rise of silver in 1934 depressed internal prices and caused still further dislocation of domestic trade. Exports of gold and silver, indicating trade stagnation and an adverse balance of payments, had already begun when, on June 19th, 1934, the United States Silver Purchase Bill authorized the purchase of silver at not less than 50 cents an ounce. The immediate result was that the price of silver on the London market jumped from 18½ pence to 25¼ pence per ounce:

The American policy, says *The Survey of International Affairs* for 1934, was doubly disastrous to China; it directly depleted her monetary reserves and her supply of coin in circulation and it caused a violent appreciation of her currency on the foreign exchange market with all its adverse consequences for her external trade.

Not for the first time a policy adopted in the supposed interests of America spelled disaster for other countries, and what was a disaster for China was inevitably also a disaster for Great Britain. An inter-departmental committee was appointed in Whitehall to examine the problem and consider what steps could be taken to retrieve the situation. Out of the deliberations of this Committee grew the idea of the Leith Ross Mission.

When the Whitehall Committee met in December 1934 they found that the Chinese Government had imposed a heavy tax on the export of silver and had thus succeeded in reducing the exchange value of the Chinese dollar to one shilling and fourpence, while its bullion value remained at one shilling and eightpence. Unfortunately this stimulated an orgie of smuggling which the Chinese Administration was unable to check, and which, in North China, had serious and far-reaching political consequences. It also caused heavy withdrawals of silver from Chinese banks for purposes of hoarding or smuggling abroad. Various proposals, some sponsored by the Chinese Government and some by banking interests, involving loans or credits varying from £3 to £150 million sterling, were carefully considered by the committee, but the conclusion which they reached was that none of these schemes would do more than

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afford a brief respite, leaving China at the mercy of any further rise of silver that might result from U.S. policy or other causes; after having been saddled with a fresh burden of external debt, she would be exposed to a recurrence of all the evils and dangers of the existing situation. There were various remedies which it was in theory open to China to adopt, but the committee were not prepared to recommend any particular scheme without much fuller information and without expert financial investigation conducted on the spot. It was, of course, desirable that some means should be found of averting the serious dangers threatening both China and British interests in China, and the committee declared that they would have no hesitation in recommending the issue of a loan in London for this purpose, but it was essential that the loan should form part of a sound and comprehensive scheme on as wide an international basis as possible.

Mr. I. S. Friedman, who has produced a monograph for the Institute of Pacific Relations on 'British Relations with China 1931-1939', describes the Leith Ross Mission as 'a clear example of individual aid' to China, and has thus missed the whole point of the bold and constructive policy which the British Government adopted on the basis of the committee's recommendations.<sup>1</sup> Their aim was no less than a complete restitution of the whole complex of political relationships established by the Washington Conference and the Nine Power Treaty as it had existed prior to Japan's seizure of Manchuria. There had been some signs that Japan and China might be willing to put Manchukuo into cold storage: it was by no means certain that Japan was planning armed aggression against

<sup>1</sup> Mr. Friedman's account is, briefly, that China asked for a loan (the silver question is not mentioned in this connection), Japan objected, Great Britain afraid of offending Japan declined, but this was 'the last occasion on which Britain allowed her desire for Anglo-Japanese co-operation to obstruct her desire to act in active support of her position in China.' By the summer of 1935 Great Britain had decided that Japan's opposition should no longer act as a veto and that, in order to check Nanking's growing subservience to Japan, it was necessary to give individual assistance to China in order to strengthen her *vis-à-vis* Japan — hence the Leith Ross Mission. The conditions of modern journalism are such that when rumours of something happening get abroad the number of columns written about it has to be commensurate, not with the amount of information available, but with the importance of the subject. A research student, who relies largely on material gathered from the Press, however conscientious he may be, is liable therefore to be led astray. In the case of the Leith Ross Mission, though the official statements made in Parliament and elsewhere were both simple and straightforward, a veritable mountain of suspicion and surmise was piled on a very slender foundation of fact, with the unfortunate result that Mr. Friedman has, in perfect good faith, drawn a wholly imaginary picture not a single detail of which corresponds with the facts.

China proper south of the Great Wall: an economic collapse in China would damage everybody: was it not possible, therefore, to persuade all the Powers, including Japan, to collaborate with China in devising a scheme for placing her currency on a stable basis and in guaranteeing the large international loan which would probably be necessary to make the scheme a success. The committee had reported that such a scheme could only be devised after examination on the spot. The British Government, therefore, in the spring of 1935 addressed an invitation to America, France and Japan to join with them in sending each a financial expert to China to examine in conjunction with the Chinese Government the whole problem of the currency. The importance which the British Government attached to the proposal was indicated by their selection of Sir Frederick Leith Ross, Chief Economic Adviser to the Government, to head the British Mission. The mission was primarily an effort to persuade Japan to return to the path of collaboration with the West which she had abandoned in 1931. It failed in its main object because Japan was already too deeply committed to the opposite course. Nevertheless, it was in many ways a brilliant success and remains an outstanding example of the value of the psychological factor in international affairs.

Sir F. Leith Ross eventually arrived in Shanghai via Japan on September 21st, 1935, and the next two months were spent in friendly and confidential discussions with Chinese officials, bankers and industrialists. Neither America, France nor Japan, however, had appointed experts to collaborate with him and it was already known that the Japanese had received the British Government's overtures with deep suspicion. The prospects, therefore, of international support, at any rate in the form of an international loan, for any currency scheme that the Chinese Government might be contemplating, did not seem to be very good. The difficulty was resolved in a dramatic manner by the action of the Chinese Government, who, without prior consultation and relying upon their own resources in foreign exchange, launched a currency scheme of their own devising. Sir F. Leith Ross has described what happened:

There were several possible alternatives, and the decision between them, depending as it did largely on Chinese psychology, could only be taken by the Chinese Government. I was examining the situation



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with a view to the preparation of a detailed programme with adequate safeguards and, if possible, with international support. But before any such scheme could be devised, the exchange market became dangerously weak and the Chinese Government decided to adopt an inconvertible managed currency on the basis of their own resources.

In practice this meant that banks who had received from their customers deposits in hard silver were required to hand over this silver to the Chinese Government, accept in exchange notes printed by the Chinese Government and use these notes to discharge their obligations to their customers. The Currency Decree, like other Chinese laws, was not binding on those who enjoyed the privilege of extraterritoriality and it might very well have been a dead letter — a mere *brutum fulmen* — but the action of the British Government ensured its success.

I have related how on a previous occasion, in January 1932, that almost sacred institution the British week-end was the cause of a slip which damaged our relations with America. On this occasion the departments retrieved the former error. The Chinese Government Decree was issued over the week-end to come into force on Monday morning, November 4th, and I well remember how we toiled all Saturday and Sunday in the Foreign Office and Treasury to get the necessary Orders drafted, approved, passed, and telegraphed to Shanghai in time to make it possible for a King's Regulation to be issued on Monday morning making the Chinese Currency Law legally binding on all British subjects and British institutions. It was a long step forward on the road marked out in the December Memorandum of 1926 — the policy of removing restrictions on Chinese sovereignty so that she might shoulder her own responsibilities free from foreign tutelage. The results were striking and dramatic. The success of the currency scheme was ensured, for the British banks handed over their silver and even the Japanese banks, eventually and reluctantly, had to follow suit. There was an immediate improvement in the economic position, a marked revival of confidence and increase in trade; the way was opened for fresh industrial loans by agreements which removed the incubus of old loans in default; the new currency did much to counteract separatist tendencies in the provinces and the prestige of the central



government was greatly enhanced. In 1936 and 1937 China was on the up-grade both economically and politically, but during the same years the menace of Japanese aggression grew steadily more grave.

A bold and constructive policy cannot succeed unless it is backed by power. The policy of the Leith Ross Mission failed for the same reason that the Washington Conference, the Nine Power Treaty and the post-war system of collective security failed. Great Britain had abandoned command of the sea in the Far East in 1905; she had disarmed after Versailles and did not begin to rearm until it was too late. When her policy was challenged she lacked the power to answer and her effort faded away. During the years that Great Britain had allowed herself to grow weaker Japan had been growing steadily stronger. In 1931 the Young Officers and their supporters had compelled the Government to adopt a forward policy and their boldness had been rewarded by success beyond their most sanguine expectations. The country had rallied enthusiastically to their support, the conquest of the whole of Manchuria had been accomplished with surprising ease and war had proved a solvent for the economic and social ills with which Japan had been afflicted.

The political ideal favoured by the Young Officer group was a peculiar form of military socialism. In the State, as they would like to see it organized, there would be no place for either capitalists or politicians, trade and industry would be rigidly controlled and the whole energies and resources of the people directed under military discipline towards the single purpose of the Nation's aggrandisement. There was considerable opposition to this rather terrifying form of totalitarianism, but this was overcome by the time-honoured Japanese method of assassination. Mr. Hamaguchi, the Prime Minister, had advised the Emperor to ratify the London Naval Treaty. He was shot in November 1930 and died in the following August. Mr. Inouye, who as Finance Minister in his Cabinet, had tried to cut down expenditure on the army and navy, was murdered in February 1932. Baron Dan, head of the great Mitsui firm, whose only crime was that he was an industrial magnate, was murdered in March. On May 16th, 1932, members of a 'patriotic' society called the League of Blood, all wearing military uniforms, murdered Mr. Inukai, the Prime Minister, and bombed several important buildings in Tokyo.

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In December 1931 a new government came into power with views on foreign and domestic policy more in harmony with those of the Young Officer group. The gold standard was abandoned, and Mr. Takahashi, the Finance Minister, reversed his predecessor's policy of deflation and adopted a policy of reflation instead. Both industry and agriculture were stimulated by large Government expenditure, the funds for which were provided partly by currency expansion and partly by Government borrowing. The need for diversification in Japanese industry and the Young Officers' demand for a 'quasi war-time economy' were both met by measures specially designed to stimulate the heavy industries. In the textile and other industries a great increase in efficiency was brought about by rationalization and by technical improvements for which the way had been prepared during the collapse of 1926-27. The net result of all these measures was that Japan now made another of those spectacular leaps forward which have more than once astonished and dismayed the world. Aided by the low value of the yen in foreign exchange Japanese manufactures of much wider range and higher quality invaded every market of the world and on all sides there were complaints of the deadly efficiency of Japanese competition. Between 1929 and 1936 the output of steel was doubled. Between 1931 and 1937 the value of Japanese exports rose from 1000 million yen to 3000 million yen, state expenditure increased from 1477 to 2282 million yen, while the proportion devoted to military expenditure rose from 31 per cent of the budget in 1932 to 47 per cent of the budget in 1936.

The ratio of 47 per cent for military expenditure was not reached without a further struggle between the Young Officer group and those who thought that Japan's ambitions should not exceed the bounds of prudence and sanity.

By 1936, says Mr. G. C. Allen in his valuable monograph, 'Japanese Industry, Its Recent Development and Present Condition', Takahashi's reflation policy had reached a critical point. The Finance Minister in 1932 had looked forward to a period of three or four years of reflation, after which, he hoped, it would be possible to move towards a balanced budget by reducing expenditures; for he consistently opposed any increase in taxation. His anticipations had

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proved correct. By 1936 the Japanese economy had recovered sufficiently to warrant the belief that the period of deflation should be brought to an end.

Mr. Allen's further comment that 'this policy was at variance with the views of the military groups' deserves to be remembered as a masterpiece of understatement. What happened was that on February 26th, 1936, 20 officers and 1500 soldiers broke out in open mutiny in Tokyo, occupied the Diet and other public buildings in the heart of the City and murdered Mr. Takahashi, the veteran Finance Minister, who had rendered such splendid services to his country. A former Prime Minister and an important official in the Finance Ministry were also murdered, and unsuccessful attempts were made to murder the Prime Minister and several other important figures in public life who were regarded as obstacles to the realization of the policy of the Young Officer group. The violence of this outbreak is explained by the fact that Japanese aggression in China had also reached a critical point.

The notorious Amai Declaration of April 17th, 1934, had the full support of even the moderate elements in Japan, who were opposed to the Army's crude methods of open violence and contemplated achieving by subtler methods a position of quasi-suzerainty over China. The Declaration, in the form of a statement to the Press by the Foreign Office spokesman, was to the effect that Japan was solely responsible (with China) for the maintenance of peace in East Asia, that joint operations for the assistance of China were inadmissible, and that, in individual cases, Japan claimed the right to decide whether the assistance could be legitimately given to China or whether it was of such a nature as to imperil peace and order. The British Government in reply reminded Japan of the common rights of other Powers, referred pointedly to the Nine Power Treaty and refused to admit that Japan had any right of veto such as that claimed in the Declaration. They were not deterred, a little later on at the end of 1934 and beginning of 1935, from pursuing their idea of persuading Japan — through the Leith Ross Mission — that she herself might share in joint operations for the assistance of China, but by this time rapid deterioration in Sino-Japanese relations had already set in. The way had been prepared by the smuggling scandal in North China. The

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efforts of the Chinese Government to check the outflow of silver, which increased from 14 million ounces in 1933 to 257 million ounces in 1934, stimulated smuggling by armed gangs of Japanese and Korean roughs under Japanese military protection, and this developed into a deliberate attempt by the Japanese to break down Chinese administration in North China. The resurgence of Russia was, however, the factor which probably had the greatest influence in driving Japan into extreme courses.

During the Manchurian conflict Russia remained absolutely quiescent while Japan rode rough-shod over all her rights and interests in North Manchuria. She preferred to cut her losses rather than imperil the success of the five year plan. In 1933, however, the success of the plan was assured and a new note of cheerful self-confidence was observed in Russia's relations with the Western Powers, which were now placed progressively upon a more normal basis. In 1934 she joined the League of Nations and a new alignment of world Powers began to take shape. In 1935 the annual meetings of the Comintern, which had been discontinued for seven years, were suddenly resumed. Resolutions were passed approving the new political line of the united front laid down by the executive committee. Instructions were sent to the Communist Party in every country that they must no longer seek to overthrow by violence the institutions of their country but that they should combine with the other parties of the Left and gain power by constitutional means. In the case of China the Communist Party was instructed to form a united front with the Kuomintang for the express purpose of resisting Japan.

No interpretation of events in the Far East can fail to be misleading unless it takes into account the intense fear of communism that dominates the political thinking even of the most liberal-minded leaders in Japan. When Mr. Amai, echoing the language of Prime Ministers and Ministers of Foreign Affairs, declared that the maintenance of peace and order in East Asia was a responsibility which Japan could share with China alone to the exclusion of other Powers, what he and the military and civil leaders chiefly had in mind was that measures must be taken to prevent the infiltration of communism from Sinkiang and Outer Mongolia into North China. It was the old obsession of the exposed flank operating on an ideological plane, for Manchukuo might be outflanked by a communist corridor running through North China to the sea, and both

Manchukuo and Japan might be overwhelmed by the dreaded doctrine. The threat that the communists might join hands with the Kuomintang synchronized with the Leith Ross Mission which was regarded as a challenge to Japan's whole position in China. The effect of these two developments was to cause the Japanese authorities to develop the smuggling in North China into a systematic and well-organized attempt to break down Chinese administrative authority in the five northern provinces of China.

In September 1935, Major-General Tada, commanding the Japanese troops in North China, publicly declared that a new political system independent of Nanking must be set up in North China, and, whatever misgivings may have been felt in Tokyo, the Japanese Government once more yielded to the argument of the *fait accompli*. The reply to Sir F. Leith Ross's request for Japanese collaboration was, in effect, given at a conference of Japanese officials specially convened at Dairen in December 1935 with a view to reaching agreement as to future Japanese policy in China. The conference decided that Japan must insist on the setting up of an autonomous regime under Japanese control in the five northern provinces which were to be completely severed from the rest of China. The Japanese army in Manchukuo was massed on the frontier at the Great Wall with the intention of enforcing this decision by an immediate invasion of North China. The Government in Tokyo retained just sufficient authority to countermand these orders, but when this was followed by Mr. Takahashi's proposal to reduce expenditure on the army and navy the ferocity of the primitive savage, which is never very far below the surface in Japan, broke loose, and the murders and mutiny of February 1936 were the result. During the next eighteen months there was a growing certainty throughout the Far East that aggression had only been postponed. War was hanging in the air and no one was surprised when it broke out on July 7th, 1937. In the interval between the Leith Ross Mission and the clash at the Marco Polo Bridge, Italy had conquered Abyssinia and the attempt to check her by half-hearted economic sanctions had proved a humiliating fiasco. Germany had re-entered the Rhineland, civil war had broken out in Spain and the British Government, at long last, had taken the first modest steps in a programme of rearmament.

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In 1937, therefore, the prospects that useful action could be taken to restrain Japan were poor. Even the most hardened utopians had lost faith in collective security. A joint veto by the three great Pacific Powers — Russia, America and England — might have proved effective, but Russia was out of the picture. The fearful purges by which Stalin hoped to rid the country of fifth columnists had begun in 1936 and continued throughout 1937. Tukhachevski and six other generals were shot and in May 1937 forty railway officials in the Soviet Far East were executed on charges of taking bribes from Japanese. In June one of the frequent border clashes occurred on the Amur River and Russia's hasty submission to Japanese demands confirmed the Japanese in their belief that the Soviet army had ceased to be an effective force. It is not unlikely that this incident determined the date of the clash in North China a month later. The chance that America would be likely to take strong action seemed equally slender. From the point of view of armaments America was hardly better placed than England for implementing a strong policy. In 1932 Secretary Stimson had warned Japan that if she tore up the Nine Power Treaty America might feel free to ignore the provisions of the Washington Treaties regarding limitations on capital ship construction and the non-fortification of Guam and the Philippines, but in fact it was Japan and not America who insisted on freeing herself from the restrictions of the Washington Naval Treaty of 1922 and the London Naval Treaty of 1930, both of which were abrogated as from December 31st, 1936. It was only during the last two years of the life of these treaties that America began to build even up to the limits which they allowed, and it was not until 1940, after the fall of France, Holland, Belgium and Norway, and after Japan had already embarked on huge programmes of naval expansion, that Congress was persuaded to sanction a programme for a two-ocean navy. In the post-Manchurian period as the crisis deepened America continued to withdraw still further into isolation, giving from time to time an extra turn of the screw to her neutrality legislation and contenting herself in the Far East with 'occasional statements for the diplomatic record' (T. A. Bisson, *American Policy in the Far East, 1931-1940*).

It was improbable, therefore, that America would be either able or willing to take strong action. But it was also certain that the excuse would again be made that she would have taken strong action if only she could

have been sure that England would back her up. Isolationist circles in America, and utopian circles on both sides of the Atlantic, had eagerly swallowed and spread the absurd tale that America had been anxious to take action to check Japan in 1932, that she had actually made a definite offer and that England had refused to back her up. As soon as China appealed to the League in 1937 the same story began to be spread abroad: it was useless for America to act because England would not back her up.

If America had been willing to give a strong lead and to continue to play a leading part, England, although she already had her back to the wall in Europe, would have been prepared to run considerable risks in the Far East; for the mere fact that America had come out of her isolation and was playing a leading part by England's side in world affairs would have had a sobering effect on aggressors everywhere. The first essential, therefore, was to get down to realities and ascertain beyond possibility of misunderstanding or misrepresentation what exactly America was prepared to do. Two steps were taken with this end in view. The first was to transfer the hearing of China's appeal from the League at Geneva to a Conference of the parties to the Nine Power Treaty at Brussels. The reason for this was that at a Nine Power Conference America would be represented — not by a silent observer — but by a delegate empowered to speak for his Government and bound to play a leading part. The second step was to make it clear that whatever action America proposed England would take exactly the same action. In order that there should be no mistake about this Mr. Eden, in a speech in the House of Commons, used a picturesque phrase which sank into men's minds and has not been forgotten. He said that in order to secure the co-operation of America he would fly not only from London to Geneva but from Melbourne to Alaska.

On October 5th, on the eve of the Brussels Conference, President Roosevelt tested public opinion in a speech in which he suggested that aggressor nations might be put into quarantine. The reaction made it abundantly clear that America was no more ready in 1937 than she had been in 1931 to take any positive action in a quarrel that did not directly concern her. When the Brussels Conference opened the United States delegates announced that America was prepared to share in the common effort to devise a means of finding a pacific solution. Translated into plain



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English this, of course, meant that America was not prepared either to give a lead or to take strong action. The conference was a complete fiasco, but, as America had been brought out into the open, the public could not be deluded this time as to the causes of the failure. That at any rate was an important step on the road to reality.

The Resolution that was passed by the Brussels Conference and adopted by the Assembly of the League was an indication of the universal fear of collective action in any shape or form. It was to the effect that

Members of the League should refrain from taking any action which might have the effect of weakening China's powers of resistance and should also consider how far they can individually extend aid to China.

From 1937 onward the assistance which China received from Great Britain and America was an important factor in sustaining her determination to continue resistance against aggression, but the hostility which this roused in Japan was concentrated on Great Britain alone. The Japanese realized that British interests were closely bound up with those of China, that the defeat of China involved the destruction of the British position and that as long as that position was maintained it would constitute a formidable obstacle to the realization of Japanese ambitions. America was in a less vulnerable position. Her most important commercial interest in the Far East was her trade with Japan and this would not suffer, and might even gain, by the defeat of China. Her Achilles heel in the Philippines made it desirable to avoid being drawn into a war in the Pacific, but the Japanese feared the latent power of America and were alive to the injury they would suffer by the loss of the American trade. Both sides were thus anxious to avoid a breach and a Japanese attack upon America seemed in the highest degree improbable. A Japanese attack upon British possessions in the Far East, however, was from the beginning a serious danger. On several occasions such an attack seemed imminent and was only averted by a narrow margin.

Anything that strengthened China and weakened Japan lessened the danger to Great Britain, but it was of vital importance to avoid giving Japan any reasonable ground for attacking. The greatest danger of all was that Japan might find some excuse for leaving America on one side and



attacking Great Britain alone. From September 1939 onward it was clear to the people of Great Britain that the vital interests of America were threatened just as much as their own, but any attempt to hasten the slow movement of American opinion in this direction would have been disastrous. It was essential to avoid at all costs any action which might even wear the appearance of involving America, against her own considered judgment, in the quarrels of other nations. At the Brussels Conference the British Government had already deliberately handed over the lead to America. They now declared that their policy was to go step in step with the United States, 'not rushing ahead, but prepared to go as far and as fast' as America. It was the aim of American policy also to assist China without provoking Japan to war, and Japan was less likely to regard a particular measure as a *casus belli* if it were done by America than if it were done by Great Britain alone without American participation. In general, therefore, it was better that America should set the pace and Great Britain follow an American lead. Owing to the close identity of Chinese and British interests it was also possible for Great Britain to give substantial aid to China merely by maintaining British treaty rights, in spite of Japanese threats and protests, or by taking action in such matters as improvement of communications or support of the Chinese currency, which could clearly be represented as beneficial to British commercial interests as well as being of assistance to China.

But though Great Britain was anxious to keep in step with America, it was by no means clear that America was equally anxious to keep in step with Great Britain. Her aims were the same as England's but the overriding consideration was to avoid entanglement in other nations' quarrels, with the result that at certain critical moments, when Great Britain was in extreme danger, the United States took action which could only be interpreted by Japan and by public opinion in America as being expressly designed to demonstrate that it was no part of America's policy to stand alongside England. The outstanding example of this was in connection with Japan's demand for the closing of the Burma Road. The American Government made no overt move to strengthen Great Britain's hand while the negotiations were in progress, but a week after the closing of the road, when public indignation against Japan had been aroused, President Roosevelt announced that scrap iron and certain grades of petroleum would be

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placed under licensing control. If this action had been taken ten days earlier perhaps the Road might never have been closed, but it may have been impossible for President Roosevelt to act sooner for the actions of the United States Government are influenced — one might almost say controlled — to an extent which it is difficult for Englishmen to realize, by passing gusts of popular sentiment. Even more remarkable, however, than the President's action was the statement made to the Press by his private secretary, Mr. Early, at a critical stage of the negotiations. He is reported to have said that the United States considered that every continent should have a Monroe doctrine of its own. 'For instance, in the case of Indo-China, we think the disposition should be decided among the Asiatic countries.' Subsequent disclaimers came too late to repair the damage done to Great Britain's position.

Two incidents which occurred during the four years that elapsed between the Marco Polo Bridge and Pearl Harbour threw into painful relief Great Britain's naval and military weakness in the Far East. The first was the long-drawn-out blockade of the British Concession at Tientsin when it was seen that Great Britain was powerless to protect her nationals against the indignities inflicted on them by the Japanese military authorities. The second was the closing of the Burma Road in 1940 at a moment when Great Britain seemed to be facing final defeat. It was just after the fall of France when even friendly elements expected that England would either surrender or succumb. Excitement in Japan ran high: it seemed that with one final effort Japan might end the war and the Japanese Government accordingly demanded the closing of the Burma Road. An abrupt refusal would almost certainly have provoked an immediate attack — not on Great Britain and America — but on Great Britain alone, and at that moment such an attack might well have lost us the war. The military authorities required a respite of three months. The Government acting on their advice, temporized as long as possible and then agreed to close the Road for three months. The decision was greeted with consternation and dismay; Great Britain had clearly yielded before superior force and she suffered in prestige accordingly. At the end of three months the Battle of Britain had been won, the crisis had passed, the excitement in Japan had died down and when the Road was reopened the Japanese made no move.

## WAR AND POLITICS IN CHINA

By the autumn of 1940 Japan had joined the Axis, and Great Britain, so far from succumbing or surrendering, was prepared to wage a war of many years' duration. The climate in America began to change. It was clear that war, in spite of non-involvement, was approaching nearer to her shores and that Great Britain was really holding America's first line of defence. The conservation of supplies of essential war materials now became an object of both American and British policy, and many commodities were placed under licensing control not only in America but throughout the British Empire. By this means Japan was prevented from obtaining supplies which, being additional to normal requirements, could be transferred to Germany and Italy or used to increase her own existing stocks. It was considered more important to achieve the end in view than to win applause in China by announcing this policy from the house-tops. Some of China's friends in this country were not conspicuous for either wisdom or discretion. The details of the actual measures taken were accordingly shrouded in a veil of official secrecy which has not yet been drawn aside. Japan, however, was given no excuse for going to war. There was no interference with her food supplies or with normal supplies of commodities such as copra and other fats essential for the purposes of both war and peace. She continued to draw three-quarters of her supplies of essential war materials from America, and on July 24th, only two days before the freezing of her assets, President Roosevelt frankly admitted to a deputation of Civilian Defence Organizations that the main object of the Government's policy had been to avoid provoking Japan to war; if they had not allowed oil to be shipped to Japan, he said, 'she would probably have gone to the Dutch East Indies a year ago and then you would have had war'. It was not until Japan, under the usual veil of treachery, made moves in Indo-China which clearly showed her intention of seizing all the territories in the Nanyo — the region of the Southern Seas — that America, by freezing Japanese assets, at length imposed effective embargoes. This example was immediately followed by the Dutch and British Empires.

In spite of all difficulties the assistance rendered by Great Britain to China makes not too bad a showing. When war began in 1937 Great Britain had just embarked on a great rearmament programme and had no arms to spare for China. She insisted, however, in spite of Japanese

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threats and protests, on keeping Hongkong open as an entrepôt for the supply of arms from all sources and this channel was only closed when Canton and the Canton-Kowloon Railway fell into Japanese hands. The Chinese Government attached great importance to the improvement of communications between Burma and Yunnan, which later became their only channel of communication with the outer world. The Burma Government spent large sums on improving their road system, in order to carry the additional Chinese traffic, and in building new roads to connect with the Burma-China highway. The British Government financed the building of the section of the Burma-Yunnan Railway which ran from Lashio to the Chinese frontier. Facilities were given for the manufacture and assembly in India and Burma of aircraft destined for China and for the training of pilots. Air services were also established connecting Burma and India with China.

In March 1939 British banks, under a Treasury guarantee, provided one-half of a currency stabilization fund of £10,000,000. This was a direct check to an important part of the Japanese plan for subduing China, namely, her attempt to destroy the Chinese national currency and replace it with a currency under Japanese control. A further £5,000,000 was granted to the stabilization fund in December 1940, and a credit of £5,000,000 for use in the sterling area in June 1941. In April 1939 export credits amounting to £3,000,000 were granted by the Exports Credits Guarantee Department. In 1942 the British Government undertook to make a loan of £50,000,000 upon terms to be agreed upon between the two governments. At the time of writing the details are still under negotiation but the funds have been made available for certain purposes. Finally, in February 1942 an undertaking was given to make available to China under lease-lend arrangements all the munitions and military equipment which it is possible to spare.

It would be asking too much of human nature to expect that the caution observed by both Great Britain and America in avoiding action that might provoke Japan to war would meet with approval in China. The assistance given was enough to keep Chinese resistance alive but not enough to enable her to drive the invader from her soil. Chinese complaints and criticisms were echoed in both England and America. Mr. Johnstone, in his valuable book *The United States and Japan's New Order*,

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expresses in the following words a feeling that was shared by very many people in America:

To the bewilderment of the Chinese, to the advantage of the Japanese, and to the dismay of many Americans, the United States Government has stated its opposition to Japan's actions in the Far East in clear and unequivocal terms while at the same time permitting the Japanese to purchase in this country a large proportion of the war materials that enable them to do the very things this country has so vigorously opposed.

In England criticism of British policy in certain left-wing utopian circles, who imagined they were helping China's cause, took the characteristically unpleasant form of suggesting — without the slightest foundation — that the British Government were not helping China more because they hoped to do a deal with Japan at the expense of China. Such statements cannot simply be ignored for, as Hitler has expounded in *Mein Kampf*, men can be made to believe any lie by mere force of repetition, and the lie, deliberate and malignant, is the most potent power for evil in the world. When a scholar like Mr. Owen Lattimore can say in *Mongol Journeys* that the English were 'pretty sure that by selling China down the Yellow River they could save themselves from being sold down the Yangtse' it should be evident that the effect of the slanders spread by the so-called friends of China in this country suffering from this peculiar form of perversion is to sow distrust of England in America, even in circles normally friendly to us, to strengthen isolationist sentiment, and to render more difficult that collaboration between England and America on which the hope, not only of effective help in China, but of the future of the world depends.

## CHAPTER XV

### CHINA, RUSSIA AND THE FUTURE

SPECULATIONS about the might-have-beens of history are usually idle and misleading. The British Government may be open to criticism for adopting, in the Leith Ross Mission, a policy which they lacked the power to follow up and implement. The challenge to Japan implied in the mission may well have precipitated aggression in North China, but it does not by any means follow that if the mission had not been sent the Japanese would have abstained from aggression. The general course of events was predetermined by the two fundamental factors of Japan's ambitions and her impregnable position. So long as these were left undisturbed the utmost that external influences could achieve might be some slight change in timing or method. Similarly the Chinese Government is open to serious criticism for their foolishness in challenging first Russia and then Japan in Manchuria, in 1929 and 1931 respectively, before they had taken adequate steps to set their house in order, but the consequences of this folly should not be exaggerated. It made it possible for the Young Officer group to take possession of Manchuria with much greater ease and sooner than they had ever ventured to hope, but it was China's weakness and disunity, rather than her political folly, that made such a consummation inevitable sooner or later.

Under the new constitution for the Kuomintang, devised by Sun Yat Sen and his Soviet advisers in 1924, the function of the Kuomintang was to complete the Revolution which had hung fire since 1911. This was to be accomplished in three stages — militarism, tutelage and constitutionalism — and until the final stage was reached no other political party was to be allowed to exist. During the first stage the Kuomintang won bloodless but dramatic victories over both native war-lords and foreign imperialists and much enthusiasm was aroused. The whole of China was swept into the Nationalist fold, the Peking Government faded out of existence, and in October 1928 the Kuomintang established the National Government of the Republic of China, and transferred the capital from

Peking to Nanking. The period of tutelage had now begun. It was the duty of the Kuomintang to educate and train the people in the art of self-government until they were fit to exercise full political powers under a democratic constitution, when the Kuomintang would resign its dictatorship, other political parties would be allowed to exist and the period of constitutionalism would begin. During the period of tutelage the political powers of the people were exercised by the Kuomintang on their behalf.

The highest organ of the Kuomintang is the National Congress of Kuomintang Delegates, but as this only meets at irregular intervals (actually it has only met five times in eighteen years), power is exercised by two main committees, the Central Executive Committee and the Central Supervisory Committee, which together form the Central Party Headquarters. These two committees meet at frequent intervals in plenary session, usually styled Plenary Sessions of the Kuomintang, and it is at these plenary sessions that fundamental decisions on policy are taken. The nucleus of the whole organization is the Central Executive Committee, and the Standing Committee of the Central Executive Committee, a small body varying from nine to fifteen persons, is the supreme directing organ in the State.

In 1928 it became the duty of the Kuomintang to organize a government appropriate to the stage of tutelage. The government so organized consists of a President and five Yuan — a term which the Chinese declare to be untranslatable, but the nearest approach to which in English is Boards. The principal Yuan are the Executive Yuan, the Legislative Yuan and the Judicial Yuan. The other two are the Examination Yuan and the Control Yuan which were added because Sun Yat Sen wished to carry on into the new dispensation two of the most valuable and characteristic institutions of traditional China — the system of public examinations by which the Emperor sought to discover men of talent for the service of the State, and the institution of the censors — men of probity and high standing whose only function was to bring to the notice of the Emperor, at whatever risk to themselves, instances of injustice, corruption or abuse of power which might undermine the stability of the State. Actual experience of administration has shown, however, that the elaborate and portentous organization of a Yuan is hardly suitable for the functions which these



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officers perform. Much the most important is the Executive Yuan, organized into a dozen or more Ministries and Commissions (Foreign Affairs, Finance, Industry, etc.) which carry on the actual government of the country. The link between the Party and the Government, through which the former controls the latter, is the Central Political Council. Members of the Central Executive Committee and Central Supervisory Committee may also be Presidents or Vice-Presidents of the five Yuan or members of the Central Political Council, so that there is considerable overlapping of personnel in both Party and Government machinery. The essential feature of the whole system is the series of interlocking directorates thus created.

When war broke out in 1937 a war-time government was set up in accordance with plans which had been elaborated in secret in a plenary session of the Kuomintang some months before. The Legislative side of this government consisted of a Supreme War Council and a War Senate, or Advisory Council for National Defence. The Supreme War Council was composed of the Presidents of the five Yuan and the members of three standing committees, namely, those of the Central Executive Committee, the Central Supervisory Committee and the Military Affairs Commission. It thus had supreme control over party, political and military affairs and its standing committee of eleven, with Ch'iang Kai Shek as chairman, was in effect the War Cabinet. The executive side of the Government consisted of the Executive Yuan and the Military Affairs Commission which was enlarged and organized into departments. In March 1938 a further step was taken in order to ensure that the policy of uncompromising resistance to Japan should continue to receive the united support of the people at large. Machinery for public discussion and criticism was provided by the establishment of a People's Political Council, which is now composed of two hundred and forty members. Half of these are persons nominated for eminence in culture and economics, by which means all the intellectual leaders of the country are included. The remaining hundred and twenty members are representatives of provincial, municipal and other subordinate governments, including representatives of the communist organizations and of Chinese overseas. This body receives reports from and questions Ministers and other high officials, submits proposals and recommendations and freely criticizes



the Government. It has played an active and a useful part in keeping the administration in touch with every section of public opinion. Ch'iang Kai Shek is Chairman of the Praesidium of the People's Political Council. His chief post in the Government is President of the Executive Yuan. He is also concurrently Acting Minister for Foreign Affairs, Chairman of the Military Affairs Commission, Chairman of the Air Affairs Commission, Chairman of the Supreme War Council and Director-General of the Kuomintang. Most of the powers of government are thus united in his hand. Shortly after the attack on Pearl Harbour a plenary session of the Kuomintang conferred on him by legal enactment the full powers of a Dictator, namely, 'supreme authority to readjust all legislation and enactments and to take steps for the enforcement thereof'. This step was taken 'in order to expedite the carrying out of the dual task of resistance and reconstruction, as well as to fulfil China's mission in the establishment of world peace by sharing in the present struggle shoulder to shoulder with the Allies'.

The committee form of government and administration inaugurated in 1928 has certain disadvantages, but it was well suited to Chinese conditions, for it secured continuity of policy and administration and it provided a trained staff of permanent officials, not dependent for their posts on the favour of a particular chief. The new system thus went at any rate some of the way towards providing China with a real central government equipped with an administrative machine capable of functioning with a fair degree of efficiency. The Kuomintang, however, shared the usual fate of political parties in other countries. As soon as it gained power it lost much of its popularity. This was largely due to the conduct of the local branches — the Tang Pu — which fell into the hands of young and irresponsible politicians. The theory that the Kuomintang controlled the Government, as interpreted by these foolish young men, led to irritating interference with local administration as well as much tyranny and injustice for which no redress could be obtained. Moreover, as we have found in Europe, the traditions, habits and ways of thought created by many centuries of history cannot be transformed or uprooted overnight. With the exception of the communists, who remained outside the fold, all grades of political opinion were reflected in the Kuomintang. Nevertheless, Canton, the headquarters of the radical South, took up the same

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hostile and independent attitude towards Nanking as it had formerly adopted towards Peking. Kwangsi, under two able and honest administrators, held sullenly aloof, and provincial leaders generally were reluctant to recognize the authority of a central government which went beyond the time-honoured method of exhortation and claimed to exercise direct control over the conduct of affairs. They accepted appointments from Nanking as governors of provinces (under the new style of Chairman of the Provincial Administration) but were not willing to surrender control of the personal armies which each of them maintained.

Separatist influences thus continued to be based partly upon purely selfish considerations, partly upon genuine differences of political outlook, partly upon dissatisfaction with Kuomintang rule and partly upon jealousy of Ch'iang Kai Shek who since the death of Sun Yat Sen had become much the most powerful figure in the Kuomintang.

Early in 1929 a Military Reorganization and Disbandment Conference was convened with the object of placing all the armed forces of China upon a peace-time footing and centralizing administration and finance of the army under the control of the National Government. It was, however, a complete failure and once more theory was belied by fact. The Military Affairs Commission, created by the Kuomintang to deal with the problems of the period of militarism, remained in being during the period of tutelage, not as a subordinate department, but as the co-equal, of the National Government.

During 1929, 1930 and 1931 there was a succession of mutinies and revolts. That none of these developed into an old style civil war is a tribute to the supreme skill and judgment shown by Ch'iang Kai Shek in the handling of each successive crisis as it arose; but this would hardly have sufficed without the great change in atmosphere and sentiment effected by the Kuomintang. There was a growing sense of national consciousness, and public opinion, provided with machinery for its organized expression, was becoming a really effective force in national affairs. Nevertheless, it was evident that the deeper causes of weakness and disunity were far from being eradicated, and to these had now been added the quarrel with the communists. One of the evil legacies, however, of the Kuomintang-Comintern flirtation was that, when the Soviet advisers returned to Russia, little pockets of communism had been left behind in Kiangsi and

other parts of China, and some of these had set up independent Soviet governments of their own. In the spring of 1931 there was an open breach between Canton and Nanking. The south-western politicians seceded and set up another independent Kuomintang government at Canton under the style of the South-west Political Council. Ch'iang Kai Shek refused to accept the challenge to civil war thus thrown down and preferred to lead the Government troops in a campaign — the first of many annual campaigns — against the communists in Kiangsi. While he was so engaged a 'punitive expedition' was organized in Canton to march against Nanking, and this was the condition of affairs when the Japanese launched their attack against Manchuria on September 18th, 1931. By various face-saving devices a semblance of unity was restored, but all through the critical period when Chinese administration was being expelled from the whole of Manchuria, although there were Chinese Delegates at Geneva pleading their country's cause with superb eloquence and skill, there was in fact no government at Nanking capable of making even a rudimentary effort to defend its territory against aggression. Truly, as Confucius said two thousand five hundred years ago, a country cannot suffer injury unless it has first injured itself. The Chinese were now to learn the bitter lesson that evil cannot be remedied by professions of faith and formulae alone.

In order to facilitate a reconciliation between Nanking and Canton, Ch'iang Kai Shek had resigned all his posts, and it was not till after the Japanese had extended their aggression to Shanghai in January 1932, and desperate fighting had taken place, that Ch'iang Kai Shek returned to power as Chairman of the Military Affairs Commission. Under one title or another he has occupied the chief seat of power ever since. His supreme gifts of leadership have recently been recognized by legal enactments conferring on him the full power of a Dictator. The long-drawn-out fiasco of the League's attempt to find a solution of the Manchurian 'dispute' came to an end in February 1933, when Matsuoka and his Delegation shook the dust of the Assembly Hall from their feet. For nearly three years from this date China was in low water both politically and economically and Ch'iang Kai Shek addressed himself to the task of restoring the morale of the people, infusing fresh vigour into provincial administrations, and preparing for Japan's next onslaught, which he, more clearly than any

other, saw could not be long delayed. Ch'iang Kai Shek is a sincere Christian, but it is characteristic of the humane and tolerant genius of the Chinese race that he does not find this incompatible with seeking to revive the ancient virtues of his people by persuading them to turn for inspiration to the teachings of Confucius. In 1934 the annual State celebrations in honour of Confucius were revived and in the same year Ch'iang Kai Shek and that most remarkable woman, his wife, launched the New Life Movement, which sought to inculcate the four Confucian virtues, Li, I, Lien, and Ch'ih — Li, courtesy and good manners; I, justice and uprightness; Lien, frugality and integrity; Ch'ih, modesty and self respect.

Efforts were also made to make the country better able to supply itself with weapons of defence and to improve the quality of the Chinese army. General von Seeckt, a distinguished German officer who had formerly been head of the Reichswehr, was appointed Military Adviser, and brought out to China a number of able German officers who undertook the training of the Chinese army. They rendered services of very great value and it was with great reluctance that, some time after the hostilities with Japan had commenced, they obeyed Hitler's orders to return to Germany. Ch'iang, however, was under no illusion as to the ability of the Chinese troops to withstand the mechanized and highly trained armies of Japan. He anticipated that the Chinese Government might have to retreat and carry on resistance from beyond the great mountain barrier of western China and at an early stage he began making preparations with this end in view. Railways were built from the Chekiang coast running westward parallel with the Yangtse to the interior, and the Province of Szechuen, beyond the Yangtse gorges, was reorganized to serve as the future seat of the Government. Readers of Audrey Harris's charming book *Eastern Visas* will recollect the description of her visit to Szechuen in 1935 and her surprise at finding the people being instructed in the value of dug-outs and the use of gas-masks. 'What does Ch'iang anticipate', she says, 'in this far inland China?', but three years later bombing from the air had become part of the routine of life in Chungking.

When hostilities began with the clash at the Marco Polo Bridge on July 7th, 1937, few believed that Chinese resistance would continue for more than six months, or a year, at most. Now more than five years later few people believe that it will ever cease. At the beginning of the

war there was much very bitter fighting, but, with the exception of one crushing defeat which they suffered at Taierchuang in the beginning of 1938, the Japanese armies won a succession of victories. Before the end of 1938 they had obtained a firm grip on North China and the Yangtse as far as Hankow. They had occupied Shanghai and some of the treaty ports on the coast and had driven the Chinese Government out of Nanking. After the fall in quick succession of Canton and Hankow the Chinese Government retreated to Chungking above the Yangtse gorges. After Munich the prestige of the democracies had fallen to a low ebb and the Japanese thought their troubles would soon be at an end. The new political system for North China, announced by General Tada in 1935, was now officially expanded into the New Order in East Asia — a 'co-prosperity sphere' comprising China, Japan and Manchukuo. But the Japanese Premier's overtures were contemptuously rejected by Ch'iang Kai Shek, and in four more years of savage and inconclusive fighting the Japanese have not been able to improve substantially on the position they had gained at the end of 1938. Unless they succeed in subduing China the empire they have planned can never even begin to take shape, but they have constantly allowed their attention to be diverted from this primary task by the sight of fresh prizes that seemed to come within their reach. The New Order in East Asia became in due course the New Order in Greater East Asia and this has led inexorably to the suicidal war against the whole might of America and the British Empire.

For China this is essentially a people's war and the Japanese have been defeated by the vast spaces to be covered and the spirit of resistance the savage conduct of their soldiers has aroused. There is no boundary, as in France, between Free and Occupied China. The Japanese hold certain points but between and behind these points the Chinese Administration still functions and the writ of the Chungking Government runs. They have not been able to hold even the principal railway lines, large sections of which are still in Chinese hands. It is impossible to imagine the 450 million Chinese ever peaceably settling down under Japanese domination.

Though the ultimate defeat of Japan is certain it would be idle to deny that there are grounds for anxiety as to the situation that may arise in China when the war is over. The ranks have closed under the actual stress of war but the influences which have made for disunity in the past may

revive when peace returns. In 1936, only twelve months before the war began, the leaders in the south-west attempted to start a civil war against Ch'iang Kai Shek because he rejected their foolish plan to launch an immediate expedition against Japan. There was, however, a chorus of disapproval throughout the country and the movement was stopped dead. This remarkable demonstration of the growing power of public opinion affords grounds for hoping that there will be no relapse into the old chaotic conditions when the immediate danger is passed. Unfortunately, however, up to the time when war broke out, little progress had been made with the very serious problem of the communists and China's future relations with Soviet Russia. Much controversy has been aroused by the activities of the Comintern in China after Borodin joined Sun Yat Sen in Canton in 1923. Most writers have approached this and related subjects with a violent partisan bias on one side or the other and few have been able to keep their emotions sufficiently under restraint to avoid adapting the facts to fit the particular case they desire to make. The broad details of the story are, however, well established, and a knowledge of this background is necessary for a proper appreciation of the Kuomintang-Communist situation to-day.

In the first flush of the Bolshevik Revolution communists generally were inspired with the crusading fervour of men who believed they had discovered a new doctrine for the salvation of the world. None doubted, that world revolution must be the immediate goal of effort and enthusiasm was strengthened by the belief that Soviet Russia could not survive as the only communistic country in a world of capitalist states. The Comintern was the machinery provided for the purpose of effecting world revolution. The communists regarded China as a hopeful field of enterprise, for here also a revolution was in progress which in one of its aspects was a struggle to shake off corrupt and worn-out forms of government from which the inner virtue had departed, and in another was a struggle against Western imperialism, which it was easy to identify with the capitalist system which communism sought to overthrow. China was in revolt against the arrangements under which her intercourse with Western nations was conducted. Though necessary and advantageous when originally imposed, these had also now become in many respects both out of date and harmful. Great Britain was the country mainly responsible for imposing and upholding

the 'unequal treaties' and Russia's hostility to capitalist powers was also mainly concentrated on Great Britain. There were many reasons, therefore, why the two movements should draw together and seek a common field of action. The communism of Soviet Russia and the nationalism of Sun Yat Sen had many aims in common and both were fundamentally opposed to the Nazi and Fascist philosophies which exalted the State, denied any rights to the individual, destroyed intellectual and every other kind of liberty, including liberty of conscience, and deliberately erected racial, social and occupational barriers. The communist ideal as formulated by Marx still remains the development of the individual in an equitable social system: in theory the individual should enjoy a wide range of rights and liberties guaranteed by the State — the right to work, rest and education; liberty of speech and conscience; the right of assembly and demonstration and freedom of person and domicile. However far off the realization of these aims might be, they were at any rate ideals which were in no way repugnant to the doctrines of Sun Yat Sen. The Soviet system, however, even when it had reached its ultimate and most beneficent stage, contemplated a degree of regimentation by the State which the Chinese would find difficulty in accepting, and the doctrine that social justice could only be achieved by the road of the class war was utterly abhorrent to ideas which long tradition had firmly rooted in the Chinese mind. Moreover, the communist methods, which involved political action in China by an organized party receiving its instructions from a body which affected to be international, but which was in fact located in a foreign country, under the control of a foreign government, aroused the same anger and alarm in China as in other countries throughout the world.

At first the communists proceeded with considerable caution. Sun Yat Sen was won over by a promise that there should be no attempt to establish communism in China, and that the common effort should be directed solely towards those objects which the Nationalists had at heart — the suppression of the war-lords and the abrogation of the unequal treaties. The Soviet emissaries — Borodin and his associates — arrived in Canton supplied with funds which ran into many millions sterling. They effected a most successful reorganization of the Kuomintang and some eighteen months later fortune played into their hands, for a chance affray in the



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International Settlement at Shanghai, in which the municipal police opened fire on the mob, led to the adoption of the tactics best calculated to ensure success. The whole of the Nationalist agitation against the unequal treaties was switched into a nation-wide strike and boycott directed against the British alone.

By this time Sun Yat Sen was dead and the nature of the plot of which he had been the victim was becoming clear. The Chinese Communist Party had been kept at bay but individual communists had been allowed to join the Kuomintang. It was evident that this had been expressly engineered in order to capture the party machinery for the purposes of the Comintern and the position was rendered all the more humiliating by the fact that the Soviet advisers, with enormous sums of money at their command, had achieved positions of executive control, whatever Chinese, whether soldier or politician, might be nominally in charge. From this time dates the bitter feud between the communists and Ch'iang Kai Shek, who has never forgotten or forgiven the deception practised by the Comintern.

At the end of 1926 the Kuomintang armies setting out from Canton had reached the Yangtse at Hankow and Ch'iang Kai Shek now finally broke away from the communist left wing and the Kuomintang, retired to Nanchang and proceeded to reorganize the right wing into the body which eventually took control and established the Nanking Government. The Comintern position in China rapidly went to pieces. In April 1927 the Soviet Embassy in Peking was raided by the Chinese police and evidence was found and made public of the Comintern plot to use the Kuomintang for purposes of world revolution. About the same time the Chinese left-wing leaders learnt that Borodin had received instructions from Moscow to reorganize the Central Executive Committee of the Kuomintang, putting communists into all the key positions, raise a communist army, confiscate and re-distribute the land and deal drastically with the generals who had supported Ch'iang Kai Shek. He had suppressed these instructions and refused to act on them, but the disclosure completed the discomfiture of the supporters of the Comintern and the Soviet advisers were sent back to Russia.

The failure of the Russian policy in the post-war years in China bears a certain resemblance to the vacillation which ruined Russia's position in

the Far East during the Battle of the Concessions a quarter of a century earlier. If Soviet Russia had, without any *arrière pensée*, carried out her intention of befriending China in the period 1923-28 she would have achieved a wonderful position and remarkable results might have ensued from Sino-Russian collaboration. Unhappily, she could not resist the temptation to use the position she had won in China to carry out a purpose of her own, and this would seem, to some extent at any rate, to have been due, as in 1898, to divided counsels in Moscow.

The controversy centred round the question of the treatment of the peasants and the doctrine of world revolution. Trotsky desired that the peasants should be expropriated and their position assimilated to that of the proletariat. This end could not be achieved until communism had been established in other countries outside the Soviet Union. The aim of Soviet policy should, therefore, be to stir up revolution in other countries and in the meantime there should be no half-way house to complete nationalisation of the land. Institutions should not be allowed to grow up in Russia which would make expropriation of the peasants more difficult later on. This was Trotsky's doctrine of 'permanent revolution' which was rejected by Stalin. By 1926 the Stalinites were already feeling their way towards a resumption of orderly relations with other countries. They were convinced that an attack upon Russia would be made sooner or later; they, therefore, deliberately set aside the idea of world revolution and concentrated all energies on completing at high speed the first stages of the industrialization of the whole country. Instead of riding rough-shod over the peasants by any scheme of nationalization of the land they preferred to adopt a plan of collectivization, involving the application of industrial methods to agriculture, which could be made to fit in with the first five year plan launched in 1928. This was the policy of socialism in one country which never ceased to be an object of contempt to Trotsky and his faction. The opposition to Stalin was developing throughout 1926-27. After solemn warnings in October 1926, and again in May and August 1927, Trotsky and his adherents were expelled from the Executive Committee of the Comintern in September and from the Executive Committee of the Communist Party in December 1927. In theory control of Soviet policy is very strict, but in practice personal feuds and jealousies, conflicts of view and contests for control are by no means eliminated. The Com-

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munist Party controls both the Soviet Government and the Comintern, and the Politbureau, of which Stalin is secretary, wields supreme power over all three. Nevertheless, the wild men are often allowed a considerable amount of rope and the activities of the Comintern are frequently in direct opposition to the avowed policy of the Government. Parallel with the struggle in Moscow there was a corresponding struggle for control of policy in China. The instructions which finally led to Borodin's expulsion were sent at a time when the extremists were rapidly losing ground in Moscow and there were various other indications that the Soviet machine had been thrown badly out of gear. The end of 1927 saw the turning of the tide. The first five year plan was inaugurated in 1928. The Sixth World Congress of the Comintern met in 1928 and passed the usual resolutions in favour of world revolution, but it attracted very little attention or press comment and its sessions were discontinued for seven years. The Seventh World Congress did not meet till 1935.

By 1935 the successful reform of the currency had effected a welcome and dramatic improvement in the economic situation in China. A complete transformation had also been effected both in the internal state of Soviet Russia and in her relations with the outside world. During the first five year plan she remained completely absorbed in internal problems of commerce and industrialization and adopted a cautious and almost pusillanimous attitude in foreign affairs—especially towards Japan. After the successful completion of the first and the launching of the second five year plan in 1935 there was a great increase in wealth, prestige and military power accompanied by a considerable retrogression from true communism. World revolution was abandoned except as a theoretical ideal and there was a revival of nationalistic sentiment and a growing desire to be recognized and treated as a normal national state competent to play an important part in preserving world peace.

Russia was menaced by Japan on one side and by Germany on the other. Soviet policy, therefore, aimed at supporting and strengthening the Nanking Government, and though great sympathy was felt with the parties of the left who sought to improve the conditions of life of workers and peasants, all idea of supporting the communists against the Nanking Government had long since been abandoned. When the Seventh World Congress met in Moscow in the summer of 1935 instructions were sent to

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the Chinese Communist Party to form a united front with the Kuomintang for the purpose of resisting Japan. Unfortunately, as the hour of crisis approached, internal dissensions dealt a severe blow at the power and prestige of Soviet Russia. The executions after the murder of Kirov at the end of 1934 were the first symptoms of malaise and this was followed by the terrible purge which began with the execution of Tukhachevski and six other generals in June 1937 and raged with unabated fury well on into 1938. In July 1937 Japan launched her attack against China, since when Soviet policy has been exactly the same as that of England and America. She has given considerable assistance in men, money and materials to the Government led by Ch'iang Kai Shek, but she has been careful not to increase this assistance to the point of herself becoming involved in hostilities with Japan. She has also been careful not to countenance in any way any claim the communists might make to be regarded as the independent allies of the Kuomintang.

Nevertheless, the relations between the Kuomintang and the communists are far from satisfactory. Communism in China is a typical product of the Chinese soil — a Chinese plant that was sown with Soviet seed. The rock on which Soviet policy foundered in 1927 was the total inability of the Chinese communists to understand what was meant by class warfare or how it should be put into operation. The movement took the characteristically Chinese form of regionalism, with the result that, wherever conditions were favourable, little Soviet governments sprang up, which in true war-lord style, declared their independence of the Central Government. After the seizure of Manchuria these Soviet governments were the chief obstacle to the reunification of the country which Ch'iang Kai Shek was anxious to effect before Japan's next onslaught. He waged unrelenting war against them and at the end of 1934 they were eventually driven out of Kiangsi and herded into the far north-west province of Shensi. In 1935 they eagerly adopted the policy of the united front against Japan laid down by the Comintern in Moscow. Ch'iang Kai Shek, however, had not got over his distrust of the Comintern and he sternly rejected the overtures of the Shensi communists who naively proposed to enter the united front as the equal allies of the Kuomintang. Public opinion generally, not appreciating the subtle points at issue, was warmly in favour of the united front and was disposed

to blame Ch'iang Kai Shek for continuing to send armies to fight against the communists instead of combining to fight against the common enemy — the Japanese.

This movement of opinion became so serious that the campaign against the communists languished because the provincial troops sent against them were reluctant to fight, and when Ch'iang Kai Shek, following his usual practice, flew to Sian, the capital of Shensi, to investigate, he was kidnapped by his own commanders. Much has been written about the Sian incident, as this extraordinary episode is called. Briefly, its effect was to bring matters to a head. Ch'iang Kai Shek refused to yield on any point of principle although his life was in danger. His captors realized that his sole aim was to prepare the country for the coming struggle with Japan; and the communists, who had had no part in the kidnapping, consented to abandon, at any rate in form, their claim to independence. This was openly proclaimed in September 1937, after war had broken out, in a manifesto which Ch'iang Kai Shek welcomed as the 'closing of the last gap in our national armour'. As so often happens, however, in China the unification exists more on paper than in reality. The communists still maintain in a corner of Shensi Province a degree of autonomy which is tolerated by the Kuomintang but which in practice is hardly distinguishable from independence. There have been serious clashes between the rank and file, much suspicion and mutual recrimination and the situation, has only been saved by the determination of the leaders on either side not to allow an open breach to occur.

A question that is causing great anxiety is whether, when the pressure of external aggression is removed, the present arrangements will break down and China fall a prey once more to civil war. The ideological differences which divide the communists and the Kuomintang are not wide enough to cause any such catastrophe. It is not a problem of communism at all, for communism has faded out in Russia and never really existed in China. The doctrines preached by Sun Yat Sen in the San Min Chu Yi — the Three Principles of the People — have scriptural authority in Kuomintang China, and, since Trotsky was expelled and his doctrine of permanent revolution discarded, there has been little difference between these and the social aims of Soviet Russia. When Sun Fo, son of Sun Yat Sen and President of the Legislative Yuan, returned from a visit to Russia

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in 1940, he declared with enthusiasm that Soviet Russia's achievements in reconstruction were entirely in harmony with the programme contemplated by Sun Yat Sen. The communists in Shensi have declared that the aims of the Communist Party can be realized within the framework of the San Min Chu Yi. Both these statements are true. The differences between the communists and the Kuomintang are not greater than those between a radical left and a conservative right. The left are anxious to find some comprehensive solution of the agrarian problem which lies at the root of most of China's social and economic troubles, while the right which controls the Kuomintang consists of bankers, merchants and industrialists thinking mainly in terms of property and fearful of disturbing the delicate balance of the social forces in the community. This is a serious difference but no vital question of principle is involved and under wise leadership it should be possible to avoid the catastrophe of civil war. The dangerous factor is the inveterate tendency to regionalism exacerbated by the reckless intervention of the Comintern.

Even after world revolution had been abandoned and a correct attitude adopted towards the Government of China the doctrinaires of the Comintern were permitted to continue shouting their usual slogans and to give instructions which the communist parties in China and elsewhere hastened to obey. Communist regional governments looking for guidance and support to a body under the control of a foreign government are clearly a greater danger to the nation than the old provincial war-lords who lightheartedly declared or cancelled independence in accordance with the political combinations of the moment. Russia's evolution, however, must continue along the path she entered in 1928 when Trotsky was finally defeated by Stalin, and Trotsky's conception of the role the Comintern should play in international affairs is perhaps already recognized as the perversion of a high ideal.

The main task before us when the war is over will be to find a way of breaking down both national sovereignties and international barriers without at the same time destroying ideals for which men have been willing, and will again be willing, to lay down their lives. Freedom to develop all that is most distinctive in a nation's way of life must somehow be preserved within the larger framework of a new world order. This is the goal towards which we began hesitatingly to feel our way in 1918.

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Inevitably there were false starts, mistakes and wrong turnings taken, but inevitably also the ordeal we are now enduring will have profound effects upon the minds, not only of the leaders and thinkers, but of great masses of men. The material will have become more malleable and the necessary adjustments will be easier to make. In the post-war world Russia will have a great and beneficent part to play in Asia. If she then takes up the role which once before she took up and dropped, after the first war between China and Japan in 1895, the contribution she could make to reconstruction in China might produce results in the cultural no less than in the economic and political fields of great and lasting value to the world at large.

The Confucian tradition is still the greatest living force in China. The simplicity and purity of its beliefs makes it difficult to realize what an immeasurable influence it has exercised and for how long it has persisted without essential change. It grew up in the minds of the primitive men who, in Neolithic times, first tilled the fertile loess soil in the central portion of the Great North China Plain, developed the institution of the family, and applied the principles developed within the family system to the wider associations in the world outside — the clan, the tribe and the State. The essential features of Confucianism came into existence many ages before Confucius lived. The faith in the power of a great leader to exercise a transforming influence upon his people; the doctrine that the sole end of government is the welfare of the people and that the Ruler has been entrusted with the Mandate of Heaven for that purpose alone; the belief that government should be founded, not upon rights but upon obligations, not upon law and the compulsion of superior force, but upon the sense of moral obligation implanted by nature in every human heart; the theory that this moral sense is the characteristic attribute of man and that if it is sustained by instruction and example men will without compulsion carry out the reciprocal obligations of the social order — the influence of all these ideas was fully operative as far back as we can discern in the misty dawn of antiquity. They were not mere unrealistic theories, but received practical application in the actual task of government. The Ruler, it was laid down, in order to bring these influences to bear upon the people should call able men to his assistance to aid him in the government of the Empire. In the year 136 B.C. the



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Emperor of the Han dynasty instituted a system of public examinations in order that able men might be selected for the service of the State. This example was followed in England some two thousand years later, but already a thousand years before the Han Emperor, about the year 1122 B.C. when the Shang dynasty was conquered by the Chou, the class of Scholar Administrators, men specially educated for the task of government, the counterpart of the British Civil Service, was an essential feature in the structure of ancient China. It is this class, and the tradition by which it was inspired, that has carried China safely through all political convulsions to the present day.

For three thousand years the Confucian tradition enabled China to absorb and civilize her invaders and to continue on her way without essential change. China now faces the far more difficult task of adapting her civilization to enable it to live with other civilizations which claim equality and refuse to be absorbed. Some of her theories must be modified and some of her institutions—particularly the most basic institution of all, the family—must suffer change. But the principles of Confucianism retain their validity and their influence is active in the minds of Chinese to-day. Belief in the value of leadership has produced a succession of great leaders in the past. In this, the greatest crisis in her history, China has succeeded in producing the Princely Scholar of the Confucian tradition. Ch'iang Kai Shek is probably the greatest leader in Chinese history as he is certainly the greatest leader in the world to-day. The spirit of devotion and self-sacrifice that the Chinese people have developed and the heroism they have shown are in large measure a tribute to his qualities. True to the Confucian tradition he makes it his study to win the minds of the people and gain for the Government's policy of resistance to the bitter end the authority derived from the freely expressed support of the nation. He has been careful to obtain constitutional sanction for the dictatorial powers with which he has been freely invested, and, in the People's Political Council, machinery has been set up for the representation of all shades of political opinion and for public discussion and criticism. This is a sound foundation on which a peace-time government can be constructed.

China will emerge from the war a fully sovereign state. The shackles of extraterritoriality have been struck off. For a hundred years the

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Chinese, a nation conscious of a long unbroken tradition of great achievement, have been suffering from loss of face, a sense of failure, an inferiority complex. Under such afflictions an individual Chinese could hardly bear to go on living. As a nation their whole outlook on the world has been warped and their natural genius sterilized. It is difficult for any foreigner to realize the great psychological effect this change will have. The Chinese will address themselves to the task of reconstruction with a sense of corporate responsibility, a pride and feeling of elation to which they have long been strangers. It would be foolish to minimize the dangers that lie ahead or to ignore the signs of weakness and disunity and certain characteristic defects that still persist. But China's friends may well feel justified in dwelling on the favourable aspects of the situation and cherishing the hope that the Chinese, with a leader such as Ch'iang Kai Shek and with the ideals of a noble tradition to inspire them, will rise to the height of a great occasion and renew the glories of the past.

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THE White Queen in *Alice in Wonderland*, it will be remembered, made a practice of believing three impossible things before breakfast every morning, and many people in this country would appear to follow her example. During the last six years of my service in the Foreign Office I watched the grown of a myth. Even before the publication by Mr. Stimson in 1935 of his book, *The Far Eastern Crisis*, it was known that he was displeased with the conduct of the British Foreign Office during the Manchurian crisis in 1931 and 1932, and on this slender foundation there had already grown up a vague belief that if England had co-operated more closely with America, Japan might not have succeeded so easily in her aggression on Manchuria. From that it was but a short step to the assertion that America had made a definite offer to restrain Japan, and that Great Britain had refused to back her up.

When I retired on a pension from the Foreign Office in 1938 this version of the story had become an article of faith with that considerable section of the intelligentsia who normally live in a world of make-believe and illusion. The myth, of course, provided excellent ammunition for the equally considerable section of the American public whose political creed is based on the thesis that the English are a tricky and unreliable people with whom it is impossible for America to collaborate.

The four letters printed below represent attempts I have made at various times to expose the untruth and indeed the inherent absurdity of this myth. In the first letter to *The Times* on November 10th, 1938, I pointed out that when Mr. Stimson proposed in February 1932 the joint invocation of the Nine Power Treaty, a *written* answer was communicated to him stating that the British Government were most anxious to co-operate and informing him of the steps that had immediately been taken to bring the other League Power into line. Mr. Stimson's impression that the British Government were reluctant to join in this *démarche* could only, therefore, be due to a lapse of memory. A correspondent then pointed out that Mr. Stimson's impression of the Foreign Office attitude might have been due to the Foreign Office refusal to join

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in writing a 'non-recognition' note on the lines of the United States note to China and Japan of January 7th, 1932. In my second letter to *The Times* of November 30th, 1938, I pointed out that the reasons for this refusal were explained at the time in an official note to the U.S. Government. Mr. Stimson had not quoted this note in his book, but had stated that he made no complaint about our refusal, the reasons for which he fully understood. What he did complain about was the Foreign Office *communiqué* to the Press which had been generally interpreted as a rebuff to the U.S. Government. This *communiqué*, I explained, was a gaffe on the part of permanent officials at the Foreign Office. The Foreign Office had always regretted this slip and had never tried to defend it.

The third letter was addressed on July 11th, 1939, to the editor of *Amerasia*, an American magazine, in reply to an article by a young man who drew a picture of a 'United States bent on coercing Japan through economic sanctions'.

The fourth letter was addressed on August 27th, 1939, to the editor of the *New York Herald Tribune* in answer to a correspondent who, in repeating the charge that England had failed to support Mr. Stimson's proposal to invoke the Nine Power Treaty, had ingeniously changed 'invoke' into 'enforce'.

The text of the letters is as follows:

### I

To the Editor of 'The Times', November 10th, 1938

Sir,

In the message that appeared in your issue of November 5th from your Washington Correspondent he referred to the fact that:

American commentators never fail to recall that in 1931 the British Government did not 'go along' with the then Secretary of State, Mr. Henry Stimson, in his desire to invoke the Nine Power Treaty when Japan seized Manchuria.

It has occurred to me that this may be a favourable opportunity to make one more attempt to kill this myth, which has been industriously circu-

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lated on both sides of the Atlantic and which has already done infinite harm to Anglo-American relations.

There was no refusal to 'go along' with Mr. Stimson. In his book, *The Far Eastern Crisis*, Mr. Stimson states that in February 1932 he put forward to the British Foreign Office a proposal for a joint invocation of the Nine Power Treaty and he adds:

While no explicit refusal to my suggestion was ever made I finally became convinced . . . that the British Government were reluctant to join in such a *démarche*.

In making this statement Mr. Stimson's memory has deceived him. The facts are that on receiving the draft of Mr. Stimson's proposed joint invocation the Foreign Office telephoned to Geneva a paragraph containing the non-recognition doctrine and this paragraph was embodied in the declaration issued by the twelve members of the Council on February 16th, 1932. At the same time a written answer was handed to the American Embassy for transmission to Mr. Stimson stating that the British Government was most anxious to co-operate with America in this matter and that, in view of their adherence to this declaration, it was hoped that those of the League Powers who were signatories to the Nine Power Treaty might also associate themselves with the proposed joint invocation. The Foreign Office, so far from refusing to 'go along' with Mr. Stimson, did all they possibly could to further his proposal. To obtain the concurrence of several Governments in a particular draft is, however, always a cumbersome and sometimes a lengthy process. It is not in general the kind of procedure that commends itself to the State Department, and Mr. Stimson preferred to drop the idea of a joint invocation and turn his draft into the letter from himself to Mr. Borah of February 24th, 1932.

Even more unfortunate than Mr. Stimson's lapse of memory is his reference in this connexion to sanctions. At page 161 of his book he says:

If a situation should ultimately arise when the American Government felt it necessary to recommend the imposition, in co-operation with the rest of the world, of an embargo on Japanese goods, I believed that such a measure would have more chance of being adopted by

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Congress if it were recommended following the invocation of the Nine Power Treaty than if it had been recommended solely by the League of Nations.

It is this passage, carelessly read by the casual reader, that has given rise to the absurd belief that the United States actually proposed sanctions or strong measures to check Japanese aggression and that the British Government refused. Actually, of course, as Mr. Stimson himself makes clear, the U.S. Government were firmly opposed to sanctions. From first to last they never wavered from their attitude that the proper way of handling the dispute was to mobilize world opinion. In this attitude they were loyally supported by the British Government, who conceived that their proper role was to harmonize and co-ordinate the actions of the United States and the League. Sir John Simon accordingly exerted his great talents to secure the adoption by the League of Mr. Stimson's doctrine of non-recognition. It was he who at the League Assembly in March, 1932, drafted and proposed the Assembly Resolution adopting the doctrine. Mr. Stimson hastened to express his pleasure at this action and on August 8th in a public speech he pointed out that the refusal of America alone to recognize the fruits of aggression might be of comparatively little moment to an aggressor.

But when the entire group of civilized nations took their stand beside the position of the American Government, the situation was revealed in its true sense. Moral disapproval, when it becomes the disapproval of the whole world, takes on a significance hitherto unknown in international law. For never before has international opinion been so organized and mobilized.

Mr. Stimson in fact believed that in the non-recognition doctrine he had discovered a substitute for sanctions, a moral force that would effectually check Japanese aggression. Unfortunately, non-recognition proved in practice a complete fiasco. Mr. Stimson's bitter disappointment is reflected in many passages in his book, but let no one believe that it was any refusal of Great Britain to support America that caused the failure of the attempt to check Japanese aggression. If non-recognition had been a success and not a fiasco, and had caused Japan to restore Manchuria, the handling by

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the League of the Sino-Japanese dispute in 1931-32 would have been hailed as a perfect example of what can be achieved by Anglo-American co-operation.

I am, Sir; your obedient servant,

(Sgd.) J. T. PRATT

4 Elm Court, Temple, E.C.4.

## II

*To the Editor of 'The Times', November 30th, 1938*

Sir,

With reference to my letter published in your issue of November 10th on the subject of Anglo-American co-operation in the Manchurian dispute of 1932, I have received many communications pointing out that I had omitted to deal with the incident of the United States Note of January 7th, 1932, and the Foreign Office *communiqué* issued to the Press two days later. Mr. Gull's letter of November 14th refers to the same matter. My letter of November 10th dealt with two specific points only. I anticipated that this further point of the January 7th Note would be raised and I hoped that you would then allow me a further opportunity of following up a matter that has undoubtedly puzzled a great many people.

On January 5th, 1932, a message was transmitted to the Foreign Office from Washington to the effect that Mr. Stimson proposed to address a Note to China and Japan, on the same lines as the Note sent in 1915 on the occasion of the Twenty One Demands, reserving all rights of the United States Government and citizens, refusing recognition of any agreements that might infringe those rights, reaffirming the principle of the Open Door, and containing references to the appropriate Articles of the Nine Power Treaty and the Pact of Paris. Mr. Stimson was anxious to obtain our co-operation in this step. While this communication was being studied the United States Note was delivered to the Governments of China and Japan and made public. In the Foreign Office it was interpreted as an attempt to circumscribe any advantage that Japan might gain by a breach of the Treaties named, but only in so far as those advantages might trespass on America's interests. The Note had not at that time become



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invested with the significance which, by its subsequent history, became attached to it.

But, whatever its exact import, there were strong reasons that made it undesirable for Great Britain to write a Note on similar lines. Mr. Stimson, in his book, points out that the advantage of employing League machinery was that the picture was presented as an issue between Japan and the whole world instead of as a private quarrel between Japan and the United States; as Great Britain was a member of the League it was even more important that a matter actually being handled by the League should not be turned into a private quarrel between Japan and Great Britain. Mr. Stimson also says that by the end of 1931 hope of moderation on the part of Japan had vanished, conciliation had definitely failed, and it was therefore necessary to wind up futile discussion with a snap and serve a final notice of America's rights on the model of the non-recognition warning addressed to Japan in 1915. It was quite reasonable and proper for America to take up this attitude, but it was not an attitude that a League Power could take up at a time when the League was still actively engaged in trying to promote conciliation between China and Japan. An official reply was accordingly sent to Mr. Stimson on January 9th, explaining that her position as a member of the League precluded Great Britain from sending a Note on the lines suggested.

Mr. Stimson does not complain of the British refusal to write a similar Note. What he says in his book is:

We naturally looked to the Government of Great Britain for a sympathetic understanding of the position which we had taken, as well as for possible co-operation in the subsequent steps that might make more effective our policy . . . We had no reason to anticipate that it would not view our action sympathetically, even if it felt unable for any reason to follow us.

What he does complain of — and with good reason — is the Foreign Office *communiqué* of January 9th, published in the Press on January 11th. I am not revealing any very closely kept secret when I say that the Foreign Office have never attempted to defend this *communiqué* and have always regretted that a slip was made which has, it would seem, proved a real obstacle in Anglo-American relations. The *communiqué* was

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drafted and approved in haste by the permanent officials at 1 o'clock on Saturday, and it was not realized until it appeared in the Press on the following Monday that it read like a rebuff to America. That is really all there is to it.

Though they did not join in writing a Note the British Government, as I showed in my previous letter, did their utmost to co-operate 'in the subsequent steps that might make more effective' the policy formulated in the Note. And no time was lost. On January 29th the Council of the League made a non-recognition declaration expressly based upon Mr. Stimson's Note. Similar action was taken on February 16th and again on March 11th, 1932, when the Assembly passed the non-recognition resolution drafted and proposed by Sir John Simon.

I am, Sir, your obedient servant,

(Sgd.) J. T. PRATT

4 Elm Court, Temple, E.C.4.

## III

*To the Editor of 'Amerasia', July 11th, 1939*

Sir,

My attention has been drawn to an article on Anglo-American co-operation in the Far East in the May issue of your journal in which reference is made to two letters that I wrote to the (London) *Times* last November refuting the charge that the British Government had failed to 'go along' with the American Government in 1931-32. Men commonly believe what they wish to believe and in the case of some, at any rate of those who prefer to think ill of British policy, it would be idle to expect that their opinions could be changed by the production of evidence however strong. Nevertheless for the sake of those who desire that truth should prevail over prejudice a duty rests on those who know the facts to place them on record. A falsehood by mere dint of repetition does not become true but may win belief. I hope therefore that you will allow me space in your valuable journal to contradict certain false statements that it has become the fashion in certain quarters to repeat whenever British policy in Manchuria comes under discussion.

The first myth that I should like to deal with is that of 'the very different

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reactions of the British authorities to Japan's aggression in Manchuria as contrasted with the threat to British interests in Shanghai in 1932'. The actions of the American Government in 1932 have never been subjected to the criticism that is implied in this statement. It will be interesting therefore to examine American reactions to Manchuria and Shanghai respectively and see in what respect they differed from those of Great Britain. Mr. Stimson, on page 153 of his book, *The Far Eastern Crisis*, says: 'To a great many of our people Manchuria was an unknown part of the earth and they wondered what we had to do with any controversy there at all. But when the issue shifted to the centre of China at Shanghai it aroused keen interest in a large portion of our countrymen. With the violence of the attack on Chapei and the picture of the Chinese soldiers defending their country against an invader, the attempt that the Japanese were making to exploit China became more clear.' On page 146 he says: 'The public reaction to the attack upon Shanghai was very different to that occasioned by the aggressions in Manchuria . . . Upon his return on January 30th Ambassador Debuchi met the full blast of the expressions of public indignation which had been excited.' Reactions in Great Britain were much the same as those in America. The truth, of course, is that the British authorities made the most strenuous efforts and employed every means at their disposal both in Manchuria and in Shanghai to check aggression and restore normal relations. They succeeded in Shanghai and not in Manchuria, but the reason is surely obvious. In Shanghai the Japanese attempted a task that was far beyond the power of any forces they could spare for the purpose. In Shanghai there was effective resistance from the Chinese army; in Manchuria there was none.

My second myth relates to sanctions and here again I may be permitted to elucidate the matter by some quotations from Mr. Stimson's book. On page 83 Mr. Stimson explains that 'without the United States the League's use of sanctions would have been incomplete and comparatively ineffective'. They would not only have been futile but would have exposed the Powers that applied them to attack by the armed forces of Japan. On page 138 Mr. Stimson says: 'During that winter responsible foreign observers stationed in the Far East were informing their respective governments that in their opinion there was a real possibility of a Japanese attack being suddenly launched at the possessions of European and

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American governments in the neighbourhood.' If such an attack had been launched effective means of resistance did not exist. Mr. Stimson points out on page 56: 'The group of interrelated treaties entered into at the Washington Conference in 1922, under which America and Britain reduced the size of their respective navies in relation to that of Japan and agreed to leave their possessions in the Far East without further fortification, had been intended to make, and had made it physically impossible for any single Western nation successfully to intervene by military force in such a matter as the Manchurian dispute even if it should desire to do so. Quite apart from such limitations, no fact was more clear to any observer than that at this period of the great depression none of the nations in Europe or America, even if able, had the slightest desire to go to war in such a controversy.' And if the possessions of the Western Powers — Great Britain, France, the Netherlands — had been attacked by Japan little help could have been expected from America. Mr. Stimson describes the American position as follows: 'The question of the payment to the United States of the foreign debt hung like a cloud over the landscape, poisoning our relations with all of the great European powers; and to make our position more difficult, the congress, in its joint resolution of December 1931, had imposed a peremptory veto upon us against any attempt to solve that problem by negotiation and remove that cloud.' (Page 202). In April 1932 'the American House of Representatives passed by an enormous majority, against the recommendations of the President, the bill providing for speedy and complete independence of the Philippine Islands. The effect which such an abandonment of protection of our Filipino wards, as well as of American responsibility in general in the Far East, would inevitably have upon our prestige with Far Eastern countries can be imagined.' (Page 203.)

Without a clear lead from America it is clear that no European power could have dreamed of suggesting sanctions which involved the risk of war. And the lead that America gave was not in the direction of sanctions but away from sanctions. Mr. Stimson was impressed with the 'wisdom of giving Shidehara and the Foreign Office an opportunity, free from anything approaching a threat or even public criticism, to get control of the situation'. (Page 34.) 'Two years before there had been presented to us in the same locality a similar problem (hostilities between the Russians and

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Chinese in Northern Manchuria). The American State Department had then promptly taken the lead in mobilizing a very general expression of world opinion cautioning those two nations against a breach of the Pact of Paris. The memory of our efforts at that time at once rose in our minds now.' (Page 37.) On November 19th 'Dr. Sze was reported as being anxious on behalf of China to invoke Article XV of the Covenant with a view to leading ultimately up to the imposition of sanctions. Members of the League were reported to have inquired from Mr. Dawes what our attitude would be in case they should proceed on that line. . . . We manifestly could give no such commitment. Our Congress was not in session and there was no statutory authority under which the Executive could impose sanctions. Furthermore it was quite unlikely that any such authority would be granted by the Congress. In the public discussions in America a decade before as to joining the League much opposition had been manifested against the provisions for either military or economic sanctions expressed in the League Covenant. In the treaties to which it had afterwards become a party, viz. the Pact of Paris and the Nine Power Treaty, the American Government had confined itself to a reliance upon the sanctions of public opinion alone. Under such circumstances manifestly we could not commit ourselves to the imposition of sanctions. On the other hand, if the League of Nations desired to proceed under Articles XV and XVI of the Covenant and themselves to impose such sanctions we were anxious not to discourage them or to put any obstacles or dangers in their path.' (Pages 76-77.)

Sanctions being thus out of the question, Mr. Stimson set to work to find 'some substitute upon which all nations could agree which would at least carry the force and implication of a moral condemnation'. Mr. Stimson's substitute was to wind up discussion by a final notice of American rights which as early as November 9th he discussed with his assistants 'as an ultimate possible weapon to be used', and his efforts to achieve this objective 'namely of terminating the discussion of this controversy with a positive statement of our rights, became blended with the hope that this same effort might also serve as a rallying point for the other nations . . . In this way it might possibly serve as the substitute for sanctions for which we all had been groping'. (Pages 94 and 95.)

In retrospect this sounds even less convincing than it did at the time,

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but no criticism can reasonably be levelled against either Mr. Stimson or the American Government for failure to find any more satisfactory method of dealing with what was in effect an insoluble problem. What is inexcusable however is the conduct of those writers and speakers who continue to repeat, parrot like, the cry that America was prepared to take strong action to check Japan. A considerable degree of effrontery — or simplicity — is needed to speak of a 'United States bent on coercing Japan through economic sanctions'.

The third matters I will deal with is the myth that has grown up round the note of January 7th, 1932, which was addressed by the United States Government to both China and Japan and which was intended, as explained above, to wind up discussion by a final discussion of its rights. The position in January 1932 was that the Lytton Commission had just been appointed. Its report was received nearly a year later, and in the meantime the League was actively engaged in endeavouring to bring about a settlement of the dispute. Critics of British policy who have blamed the British Government for not writing a similar note to China and Japan have never explained how in these circumstances any State Member of the League could 'wind up discussion by a final notice of its rights'. Great Britain unfortunately could not thus 'close the episode and terminate discussion'; she had the much more difficult task of fulfilling her obligations as a member of the League and acting as the essential link between the U.S. and the League in order to harmonize the actions of both. She carried out this task by inducing the League to adopt and proclaim the non-recognition doctrine contained in the January 7th note. On January 29th the Council of the League, at the instance of Sir John Simon, intimated to Japan that it would be impossible for the League to endorse a settlement secured by methods at variance with the international obligations binding on her. On February 16th the Council of the League made a declaration containing a paragraph drafted by Sir John Simon in circumstances that are explained below, to the effect that:

... no infringement of the territorial integrity and no change in the political independence of any member of the League brought about in disregard of (Article X of the Covenant) ought to be recognized as valid and effectual by the members of the League of Nations.

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On March 7th in his speech before the Assembly of the League Sir John Simon advocated the adoption of the non-recognition doctrine and offered to draft the necessary Resolution. On March 11th the Assembly adopted the Resolution in question. 'This action', said Mr. Stimson, 'will go far towards developing in the terms of international law the principles of order and justice which underlie those treaties.' And in a subsequent speech on August 8th, 1932, Mr. Stimson provided complete justification for the action of the British Government in preferring to join in collective action by the League rather than wind up discussion by a final statement of its own rights:

'Its own refusal', said Mr. Stimson speaking of the U.S. Government, 'to recognize the fruits of aggression might be of comparatively little moment to an aggressor. But when the entire group of civilized nations took their stand beside the position of the American Government, the situation was revealed in its true sense. Moral disapproval, when it becomes the disapproval of the whole world, takes on a significance hitherto unknown in international law. For never before has international opinion been so organized and mobilized.'

Whether Sir John Simon ever shared Mr. Stimson's enthusiasm for the non-recognition doctrine may perhaps be the subject of an academic doubt, but the organization and mobilization of international opinion to which Mr. Stimson refers was mainly his doing; and as to the complete loyalty with which he came to the support of Mr. Stimson and the effectiveness of his efforts there can in the mind of any reasonable person be no kind of doubt whatever.

The next myth with which I will deal is the famous myth of the proposed joint invocation of the Nine Power Treaty. On February 8th Mr. Stimson broached the matter of the invocation of the Nine Power Treaty to the President. On the 9th he mentioned it to the British Ambassador. On the 11th and 12th he telephoned about it to Sir John Simon at Geneva and telegraphed a tentative draft of the proposed invocation to London for consideration. On the 13th and 15th he telephoned again to Sir John Simon who had returned to London. The Council of the League was still in session at Geneva considering the draft of the Declarations (referred to above) that was issued on February 16th. On February 15th Sir John Simon telephoned to Geneva the text of a para-



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graph taken from Mr. Stimson's tentative draft invocation, and, at his request, this paragraph was inserted in the Council's Declaration. The paragraph — which embodied the non-recognition doctrine — has been quoted above. On the same day Sir John Simon sent for the Counsellor of the American Embassy and handed him in writing a message for Mr. Stimson expressing the earnest desire of the British Government to co-operate in the proposed invocation of the Nine Power Treaty and concluding: 'He is hopeful that the adherence of the Powers now at Geneva to the declaration proposed to be made by the Council of the League on Wednesday might predispose those of them who are signatories to the Nine Power Treaty to associate themselves with the American *démarche* also.'

It is difficult to see how there could be a more convincing refutation of the myth that Sir John Simon or the British Government were reluctant to join in the proposed invocation. Three bits of evidence are adduced in support of the myth:

- (1) The four telephone conversations above referred to. No record of these exists anywhere, but it is inconceivable that they could have destroyed the effect of the active steps taken by Sir John Simon to co-operate and to secure the co-operation of the other signatories of the Nine Power Treaty.
- (2) Remarks alleged to have been made by Sir John Simon at a luncheon at Geneva on February 12th. No record of these remarks exist for the good reason that the occasion was strictly confidential and the guests accepted the invitation on the assurance that nothing they might say would be repeated outside. Further comment on this bit of 'evidence' would seem to be superfluous.
- (3) A reply returned by Sir John Simon to a question in the House of Commons on February 18th (or as some say February 17th). Everything said in the House of Commons is recorded in Hansard which is accessible to everyone. I can state categorically that no statement in the House of Commons was made by Sir John Simon, or by any other member of the Government, on February 17th or February 18th, 1932, or on any other date, which can possibly bear the interpretation sought to be put upon it.

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There remains the question: why did Mr. Stimson, without explanation, change his proposed joint invocation of the Nine Power Treaty into a letter from himself to Mr. Borah? The explanation of Mr. Stimson's sudden swerve in this instance is, I suggest, the same as the explanation that he himself has given of his action in regard to the January 7th note. 'Any attempt to discuss such a note with a view to joint action by the entire group of signatories of the Nine Power Treaty or of the Pact of Paris would inevitably have produced hesitation, delays and leaks to the Press. These would have impaired, if they had not destroyed, the psychological effect of the note.' (Pages 97-8.) The note to Mr. Borah suffered no such damage. It is indeed one of the most formidable State papers of modern times and its psychological effect was considerable. But it did not bring the imposition of sanctions any nearer and it did not check the Japanese or divert them from their purpose.

(Sgd.) J. T. PRATT

4 Elm Court, Temple, E.C.4

## IV

*To the Editor of the 'New York Herald Tribune', August 27th, 1939*

Sir,

My attention has been drawn — somewhat late I admit — to a letter dated New York, July 25th, 1939, from a certain Bernard R. Schutz, which was published in your issue of July 27th. The basis of the letter appears to be the assumption that the formula agreed upon as a starting point for negotiations between Britain and Japan over Tientsin constitutes a 'betrayal of British and American rights in China'. Every inch of territory outside the British and French Concessions at Tientsin is under the control of an invading army. What rights the British and Americans possess against an army of occupation is a question that it is hardly worth while discussing in this connection because apparently what Mr. Schutz has in mind is not any such abstruse legal problem but some vague echo of the non-recognition doctrine. In a country separated by the Atlantic on one side and the Pacific on the other from personal contact with the more alarming realities of international life it is perhaps not surprising

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to find quite intelligent people who still believe that in non-recognition they have found the sovereign remedy for all international wrongs. Mr. Bernard R. Schutz sitting at a desk in New York, would no doubt utterly refuse to recognize the Japanese occupation of North China but for the British in their Concession at Tientsin such a refusal would be about as effective and about as sensible as a refusal to recognize that the Concession is covered with flood water ten feet deep. In 1932 fifty-four nations under the urgent impulsion of Sir John Simon followed Mr. Stimson (to his immense gratification) along the path of non-recognition. It was a forlorn hope but words, they thought, might one day be followed by acts. Unfortunately however many Americans remain, like Mr. Schutz, firmly wedded to the belief that words are the same as strong action. He thinks that American protests over the sinking of the *Panay* are evidence of American willingness to 'stand up' to Japanese infringement of American rights. The sinking of the *Panay* caused a frightful panic in Tokyo because now it seemed certain that America would act and the whole Japanese adventure in China would be brought to a full stop. It was some days before the Cabinet and public generally began to realize that this too could be settled by words and that there would not be any interference with the flow of essential war materials — oil, scrap and all the rest of them — that alone made a war of aggression on China possible.

• Mr. Schutz salves his conscience — and the conscience of a great many Americans — with the reflection that if America does not use her mighty power — economic as well as military — to make attacks such as that of Japan upon China impossible it is all the fault of Britain. After 'Mr. Stimson's unhappy experience in 1932' how can America be expected to try again? It is strange that a great and powerful country like America should be so easily discouraged; but what was Mr. Stimson's unhappy experience? Even Mr. Schutz admits that fifty-four nations backed up Mr. Stimson in 1932 and adopted his doctrine of non-recognition, so the unhappy experience relates to something else. 'Mr. Stimson', says Mr. Schutz, 'proposed that the United States and Great Britain issue a joint statement announcing their intention to enforce the Nine Power Pact.' That of course is a grossly untrue statement. Whether Mr. Schutz's substitution of 'enforce' for 'invoke' was accidental or deliberate I do not of course know but the result is to make his statement grossly untrue; and

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it is on such perversions of the truth that those who wish to damage Anglo-American relations and destroy confidence in British policy mainly rely.

As I happen to know the facts relating to Mr. Stimson's proposed joint invocation of the Nine Power Treaty in 1932 I hope you will allow me to place them on record:

On February 8th Mr. Stimson broached the matter of the invocation of the Nine Power Treaty to the President. On the 9th he mentioned it to the British Ambassador. On the 11th and 12th he telephoned about it to Sir John Simon at Geneva and telegraphed a tentative draft of the proposed invocation to London for consideration. On the 13th and 15th he telephoned again to Sir John Simon who had returned to London leaving the Council of the League still in session at Geneva. On February 15th Sir John Simon telephoned to Geneva the text of a paragraph taken from Mr. Stimson's tentative draft invocation, and, at his request, this paragraph (which embodied the non-recognition doctrine) was inserted in a Declaration issued by the Council on February 16th. On the same day Sir John Simon sent for the Counsellor of the American Embassy and handed him in writing a message for Mr. Stimson expressing the earnest desire of the British Government to co-operate in the proposed invocation of the Nine Power Treaty and concluding: 'he is hopeful that the adherence of the Powers now at Geneva to the declaration proposed to be made by the Council of the League on Wednesday might predispose those of them who are signatories to the Nine Power Treaty to associate themselves with the American *démarche* also.'

It is difficult to see how there could be a more convincing refutation of the myth that Sir John Simon or the British Government were reluctant to join in the proposed invocation. There remains the question why did Mr. Stimson, without explanation change his proposed joint invocation of the Nine Power Treaty into a letter from himself to Mr. Borah? The explanation of Mr. Stimson's sudden swerve in this instance is I suggest the same as the explanation that he himself has given of his action in regard to the note of January 7th, 1932: 'Any attempt to discuss such a note with a view to joint action by the entire group of signatories of the Nine Power Treaty or of the Pact of Paris would inevitably have produced hesitation, delays and leaks to the Press. These would have

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I am, Sir, your obedient servant,

(Sgd.) J. T. PRATT

4 Elm Court, Temple, E.C.4

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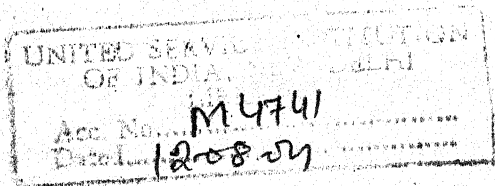
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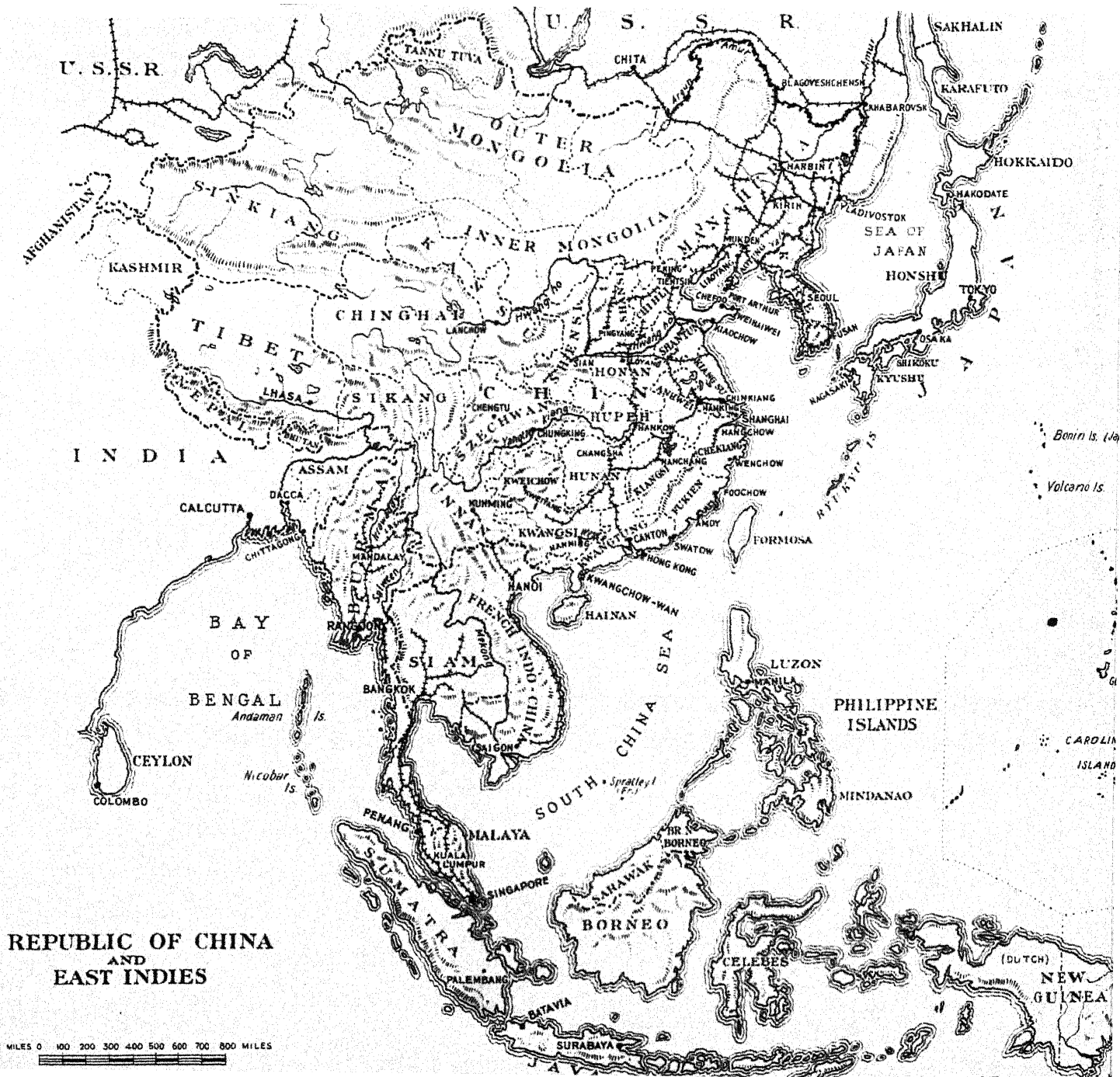
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